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Director of Council Services
Maria E. Zielinski

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

March 19, 2019

TO: Honorable Maile S.L. Shimabukuro, Chair
Senate Committee on Hawaiian Affairs

FROM: Michael J. Molina
Councilmember

A handwritten signature in black ink, appearing to read "M. Molina", is written over the "FROM" line.

DATE: Thursday, March 28, 2019

SUBJECT: **SUPPPORT OF SCR 45 and SR 32, RELATING TO SUPPORTING THE GOVERNOR'S EFFORTS IN URGING THE BANK OF AMERICA TO RETURN TO HAWAII TO MEET WITH NA PO'E KŌKUA and THE HAWAII FAIR LENDING COALITION TO REACH A SETTLEMENT AGREEMENT RELATING TO A \$150,000,000 LOAN COMMITMENT FOR NATIVE HAWAIIANS ON HAWAIIAN HOME LANDS**

Thank you for the opportunity to testify in SUPPORT of this important measure. The purpose of this measure is to support the Governor's efforts in urging Bank of America to return to Hawaii to meet with Na Po'e Kōkua and the Hawaii Fair Lending Coalition to reach a settlement agreement relating to Bank of America's outstanding \$150,000,000 loan commitment to native Hawaiians on Hawaiian homelands, now twenty years overdue.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council. I support this measure for the following reasons:

1. Increasing housing and economic opportunities for Native Hawaiians is a high priority to me as an elected official. The Bank of America has committed a great disservice to our Hawaiian community by failing to achieve the United States Federal Reserve order to provide Hawaiian families with \$150 million in loans for home purchase.
2. As a result of the short fall in lending opportunities from the Bank of America to Native Hawaiians, many families are unable to achieve their goal of home ownership and have missed out on an opportunity purchase access safe and stable households.
3. Governor David Ige has made significant efforts to urge Bank of America officials to meet with representatives of the State of Hawaii and members of the Na Po'e Kokua and the Hawaii For Lending Coalition to reach a fair and final settlement of the outstanding commitment to the Hawaiian community, all to no avail. Therefore, pressure should be placed on Bank of America and federal officials to make a settlement a reality.

For the foregoing reasons, I support this measure.

COUNTY COUNCIL

Arryl Kaneshiro, Chair
Ross Kagawa, Vice Chair
Arthur Brun
Mason K. Chock
Felicia Cowden
Luke A. Evslin
KipuKai Kualii

**OFFICE OF THE COUNTY CLERK**

Jade K. Fountain-Tanigawa, County Clerk
Scott K. Sato, Deputy County Clerk

Telephone: (808) 241-4188
Facsimile: (808) 241-6349
E-mail: cokcouncil@kauai.gov

Council Services Division
4396 Rice Street, Suite 209
Lihue, Kaua'i, Hawaii 96766

March 21, 2019

**TESTIMONY OF MASON K. CHOCK
COUNCILMEMBER, KAUAI COUNTY COUNCIL
ON**

**SCR 45 / SR 32, SUPPORTING THE GOVERNOR'S EFFORTS IN URGING THE
BANK OF AMERICA TO RETURN TO HAWAII TO MEET WITH
NĀ PO'E KŌKUA AND THE HAWAII FAIR LENDING COALITION TO REACH
A SETTLEMENT AGREEMENT RELATING TO A \$150,000,000 LOAN
COMMITMENT FOR NATIVE HAWAIIANS ON HAWAIIAN HOME LANDS**

Senate Committee on Hawaiian Affairs

Thursday, March 28, 2019

1:15 p.m.

Conference Room 016

Dear Chair Shimabukuro, Vice Chair Kahele, and Members of the Committee:

Thank you for this opportunity to provide testimony in support of SCR 45 / SR 32. My testimony is submitted in my individual capacity as a Member of the Kaua'i County Council.

Bank of America should be held fully accountable for their entire commitment to the State of Hawai'i, as ordered by the Federal Reserve. While the focus of SCR 45 / SR 32 is the \$150,000,000 loan commitment for Native Hawaiians on Hawaiian Home Lands, the Federal Reserve also required that the Bank of America provide \$30 million in below market financing to low-income families on Kaua'i by 1996 to help with the island's recovery following Hurricane Iniki. None of this required financing was provided on Kaua'i. There is no doubt that this financing would have had a tremendous impact on increasing the supply of available housing units not only on Kaua'i, but statewide, for Hawai'i's residents.

I urge the Committee to hold Bank of America fully accountable for fulfilling the requirements of the Federal Reserve order for the \$150,000,000 loan commitment for Native Hawaiians on Hawaiian Home Lands. Additionally, I urge the Committee to amend the Resolution to include negotiations for the \$30,000,000 financing commitment for the County of Kaua'i.

AN EQUAL OPPORTUNITY EMPLOYER

Chair Shimabukuro, Vice Chair Kahele,
and Members of the Committee
Testimony In Support Of SCR 45 / SR 32
March 21, 2019
Page 2

Mahalo for your consideration of amending SCR 45 / SR 32 to include the financial commitment for housing projects on Kaua'i. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188.

Sincerely,

A handwritten signature in dark ink, consisting of a stylized, cursive 'M' followed by a horizontal line.

MASON K. CHOCK
Councilmember, Kaua'i County Council

AMK:dmc

COUNTY COUNCIL

Arryl Kaneshiro, Chair
Ross Kagawa, Vice Chair
Arthur Brun
Mason K. Chock
Felicia Cowden
Luke A. Evslin
KipuKai Kualii



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Council Services Division
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Lihu'e, Kaua'i, Hawai'i 96766

March 25, 2019

**TESTIMONY OF LUKE A. EVSLIN
COUNCILMEMBER, KAUAI COUNTY COUNCIL
ON**

**SCR 45 / SR 32, SUPPORTING THE GOVERNOR'S EFFORTS IN URGING THE
BANK OF AMERICA TO RETURN TO HAWAII TO MEET WITH
NĀ PO'E KŌKUA AND THE HAWAII FAIR LENDING COALITION TO REACH
A SETTLEMENT AGREEMENT RELATING TO A \$150,000,000 LOAN
COMMITMENT FOR NATIVE HAWAIIANS ON HAWAIIAN HOME LANDS**

Senate Committee on Hawaiian Affairs

Thursday, March 28, 2019

1:15 p.m.

Conference Room 016

Dear Chair Shimabukuro, Vice Chair Kahele, and Members of the Committee:

Thank you for this opportunity to provide testimony in support of SCR 45 / SR 32. My testimony is submitted in my individual capacity as a Member of the Kaua'i County Council.

I humbly ask that the Committee amend the Resolution to include negotiations for the \$30,000,000 financing commitment for affordable housing projects on the County of Kaua'i.

Thank you for this opportunity to provide testimony on SCR 45 / SR 32. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188.

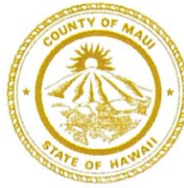
Sincerely,

LUKE A. EVSLIN
Councilmember, Kaua'i County Council

AMK:mn

Michael P. Victorino
Mayor

Sananda K. Baz
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

March 25, 2019

The Honorable Senator Maile Shimabukuro, Chair
Senate Committee on Hawaiian Affairs

Dear Senator Shimabukuro, and Committee Members:

Re: Hearing of March 28, 2019; Testimony in **SUPPORT** for **SCR 45/SR 32**, SUPPORTING THE GOVERNOR'S EFFORTS IN URGING THE BANK OF AMERICA TO RETURN TO HAWAII TO MEET WITH NA PO'E KOKUA AND THE HAWAII FAIR LENDING COALITION TO REACH A SETTLEMENT AGREEMENT RELATING TO A \$150,000,000 LOAN COMMITMENT FOR NATIVE HAWAIIANS ON HAWAIIAN HOME LANDS

Thank you for the opportunity to offer **SUPPORT** for **SCR 45/SR 32**.

It is clear to me that two of the most urgent challenges facing our residents are the lack of affordable housing and the increasing number of homeless in our state. Additionally, Native Hawaiians have historically faced significant obstacles in finding suitable housing, including discriminatory lending practices.

In 1994, Bank of America (BoFA) sought the acquisition of Liberty Bank. During the acquisition process, BoFA was conditioned by the Federal Reserve System to originate \$150 million dollars in Federal Housing Administration section 247 mortgages for Hawaiian Home Lands by 1998.

BoFA failed to provide the \$150 million required by their deadline of 1998, and in the same year recommitted to meet their loan commitment.

Unfortunately, as of 2012, the Hawaiian Homes Commission unanimously confirmed BoFA's commitment remained unfulfilled. The Commission noted it supported the Hawaii Fair Lending Coalition's efforts to hold BoFA accountable.

March 25, 2019
Page 2

In April 2018, Governor David Ige invited BofA to return to Hawaii to meet with Maui based Nā Po'e Kōkua to reach a fair and final settlement of BofA's outstanding \$150 million commitment to Native Hawaiians.

I wholeheartedly support Governor Ige's efforts to reconcile this issue. Had BofA honored its commitment to our people twenty years ago, hundreds of men, women, and children would now be reaping the benefits of home ownership and as a result, would not be struggling today.

Mahalo for your consideration of **SCR 45/SR 32**.

Respectfully yours,

A handwritten signature in black ink, reading "Michael P. Victorino". The signature is fluid and cursive, with a horizontal line extending from the end of the name.

MICHAEL P. VICTORINO
Maui County Mayor

COUNTY COUNCIL

Arryl Kaneshiro, Chair
Ross Kagawa, Vice Chair
Arthur Brun
Mason K. Chock
Felicia Cowden
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Council Services Division
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Lihu'e, Kaua'i, Hawaii 96766

March 21, 2019

TESTIMONY OF KIPUKAI KUALII
COUNCILMEMBER, KAUAI COUNTY COUNCIL
ON

**SCR 45 / SR 32, SUPPORTING THE GOVERNOR'S EFFORTS IN URGING THE
BANK OF AMERICA TO RETURN TO HAWAII TO MEET WITH
NA PO'E KOKUA AND THE HAWAII FAIR LENDING COALITION TO REACH
A SETTLEMENT AGREEMENT RELATING TO A \$150,000,000 LOAN
COMMITMENT FOR NATIVE HAWAIIANS ON HAWAIIAN HOME LANDS**

Senate Committee on Hawaiian Affairs

Thursday, March 28, 2019

1:15 p.m.

Conference Room 016

Dear Chair Shimabukuro, Vice Chair Kahele, and Members of the Committee:

Thank you for this opportunity to provide testimony in support of SCR 45 / SR 32. My testimony is submitted in my individual capacity as a Member of the Kaua'i County Council.

I wholeheartedly support all efforts to hold Bank of America fully accountable for their commitment to the State of Hawai'i, as ordered by the Federal Reserve, for the \$150,000,000 loan commitment for Native Hawaiians on Hawaiian Home Lands. The Federal Reserve order also required that Bank of America provide \$30 million in below market financing to low-income families on Kaua'i by 1996 to help with the island's recovery following Hurricane Iniki. None of this required financing was provided on Kaua'i and would have had a tremendous impact on building dwelling units for Kaua'i's residents.

I humbly ask that the Committee amend the Resolution to include negotiations for the \$30,000,000 financing commitment for the County of Kaua'i.

Thank you for this opportunity to provide testimony on SCR 45 / SR 32. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188.

Sincerely,

KIPUKAI KUALII
Councilmember, Kaua'i County Council

AMK:lc

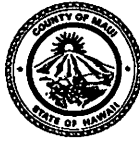
AN EQUAL OPPORTUNITY EMPLOYER

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www.MauiCounty.us

March 25, 2019

TO: The Honorable Maile S.L. Shimabukuro, Chair
Senate Committee on Hawaiian Affairs

FROM: Kelly T. King
Council Chair

A handwritten signature in black ink that reads "Kelly T. King".

SUBJECT: **TESTIMONY IN SUPPORT OF SCR 45, RELATING TO SUPPORTING THE GOVERNOR'S EFFORTS IN URGING THE BANK OF AMERICA TO RETURN TO HAWAII TO MEET WITH NA PO'E KOKUA AND THE HAWAII FAIR LENDING COALITION TO REACH A SETTLEMENT AGREEMENT RELATING TO A \$150,000,000 LOAN COMMITMENT FOR NATIVE HAWAIIANS ON HAWAIIAN HOME LANDS**

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this measure is to support the Governor's efforts in urging the Bank of America to return to Hawaii to meet with Na Po'e Kokua and the Hawaii Fair Lending Coalition to reach a settlement agreement relating to a \$150,000,000 loan commitment for native Hawaiians on Hawaiian home lands.

I offer this testimony on behalf of the Maui County Council, which adopted Resolution 18-178 at its meeting of November 2, 2018, supporting these efforts. A copy is attached for your reference.

Also attached is a copy of my letter to Ms. Cathy Bessant, Chief Operations and Technology Officer, Bank of America, dated October 5, 2018, urging her good-faith response. To date, Bank of America has not responded to my letter, nor have they responded to Governor Ige's invitation to return to Hawaii to settle this unfulfilled commitment.

I am pleased to see the Hawaii State Senate join the united efforts of Governor Ige and the Maui County Council to help resolve this important issue. It is my hope that Ms. Bessant will view this hearing as an opportunity to respond to questions that are being raised throughout Hawaii concerning this matter.

For the foregoing reasons, I **support** this measure.

Resolution

No. 18-178

**SUPPORTING THE GOVERNOR'S EFFORTS TO
INTERVENE BETWEEN NĀ PO'E KŌKUA, THE
HAWAII FAIR LENDING COALITION, AND THE
BANK OF AMERICA TO REACH A SETTLEMENT
AGREEMENT RELATING TO A \$150 MILLION
LOAN COMMITMENT FOR NATIVE HAWAIIANS
ON HAWAIIAN HOME LANDS**

WHEREAS, in 1993, Nā Po'e Kōkua (NPK), an organization established to assist native Hawaiians with housing and related matters, formed the Hawaii Fair Lending Coalition (HFLC) and began researching how banks in Hawaii were treating native Hawaiians; and

WHEREAS, among its findings, HFLC discovered that Bank of America (BoFA) was conducting discriminatory lending practices in the form of redlining, the practice of denying services to residents of certain areas based on the racial or ethnic composition of those areas, by not providing mortgages on Hawaiian Home Lands; and

WHEREAS, in May 1994, as a result of HFLC's efforts and as a condition of BoFA's acquisition of Liberty Bank, the Federal Reserve System ordered BoFA to make \$150 million in FHA-247 mortgages available on Hawaiian Home Lands by 1998; and

WHEREAS, by the 1998 deadline, BoFA provided only \$3,109,502 of the \$150 million in FHA-247 mortgages ordered by the Federal Reserve System; and

WHEREAS, in 1998, BoFA recommitted to meet the \$150 million loan commitment to native Hawaiians and to pay a \$4.5 million late fee based on the opportunity cost of its failure to fulfill its required commitment; and

WHEREAS, the BoFA executive responsible for this recommitment was Catherine P. Bessant, then in charge of Community Development, who traveled to Hawaii with other senior bank executives in August 1998 to meet with Governor Cayetano, Hawaiian kupuna, and other community leaders from NPK/HFLC at Iolani Palace; and

Resolution No. 18-178

WHEREAS, in 2012, the Hawaiian Homes Commission unanimously confirmed that the BofA commitment remained unfulfilled, and expressed support for HFLC's consistent and ongoing efforts to hold BofA accountable; and

WHEREAS, on April 18, 2018, Governor Ige invited Catherine P. Bessant to return to Hawaii for a meeting with NPK/HFLC "to reach a fair and final settlement of BofA's outstanding \$150 million commitment to the Hawaiian people on their homelands"; and

WHEREAS, BofA originated \$13,092,314 in loans on Hawaiian Home Lands from 1994-2012, and has made no FHA-247 loans since, according to account information provided by the United States Department of Housing and Urban Development (HUD) on August 20, 2018, in response to a Freedom of Information Act request; and

WHEREAS, based upon HUD data, lost opportunities for building equity and reaping the benefits of a booming housing market, and paying affordable mortgages rather than skyrocketing rents over the last twenty years for 890 native Hawaiian families who should have received BofA mortgages by 1998, but did not, and the families who did receive loans up to 13 years after the deadline, preliminary estimates for BofA's late fees are approximately \$360.6 million; now, therefore,

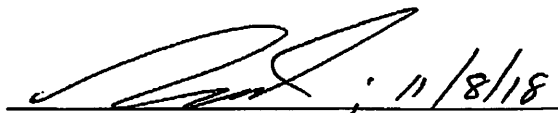
BE IT RESOLVED by the Council of the County of Maui:

1. That it does hereby support the Governor's efforts to intervene between Nā Po'e Kōkua, the Hawaii Fair Lending Coalition, and the Bank of America to reach a settlement agreement relating to a \$150 million loan commitment for native Hawaiians on Hawaiian Home Lands, now twenty years overdue; and
2. That it urges Catherine P. Bessant to return to Hawaii to meet with NPK/HFLC to reach a fair and final settlement, as invited by Governor Ige; and

Resolution No. 18-178

3. That in addition to providing the mortgages on Hawaiian Home Lands as ordered by the Federal Reserve System, BofA must address the estimated \$360.6 million in lost opportunity costs for native Hawaiians on Hawaiian Home Lands and a \$4.5 million late fee for failing to fulfill its required commitment; and
4. That certified copies of this resolution be transmitted to Brian T. Moynihan, Chief Executive Officer, Bank of America; Anne M. Finucane, Vice Chairman, Bank of America; Catherine P. Bessant, Chief Operations and Technology Officer, Bank of America; Jerome H. Powell, Chairman, Board of Governors, Federal Reserve System; Lael Brainard, Chair of the Committee on Consumer and Community Affairs, Board of Governors, Federal Reserve System; the Honorable David Ige, Governor, State of Hawaii; the Honorable Brian Schatz, United States Senator; the Honorable Mazie Hirono, United States Senator; the Honorable Alan Arakawa, Mayor, County of Maui; the Honorable Mel Rapozo, Chair, Kauai County Council; the Honorable Valerie T. Poindexter, Chair, Hawaii County Council; the Honorable Ernest Y. Martin, Chair, Honolulu City Council; and Kehaulani Filimoe`atu, Nā Po`e Kōkua/Hawaii Fair Lending Coalition.

APPROVED AS TO FORM AND LEGALITY



EDWARD S. KUSHI, JR.
Department of the Corporation Counsel
County of Maui

2018-1501/2018-1576

paf:ldm:18-290c

COUNCIL OF THE COUNTY OF MAUI

WAILUKU, HAWAII 96793

CERTIFICATION OF ADOPTION

It is HEREBY CERTIFIED that RESOLUTION NO. 18-178 was adopted by the Council of the County of Maui, State of Hawaii, on the 2nd day of November, 2018, by the following vote:

MEMBERS	Michael B. WHITE Chair	Robert CARROLL Vice-Chair	Aiika ATAY	Eleanora COCHRAN	S. Stacy CRIVELLO	Donald S. GUZMAN	G. Riki HOKAMA	Kelly T. KING	Yuki Lei K. SUGIMURA
ROLL CALL	Aye	Aye	Aye	Aye	Aye	Aye	Excused	Aye	Aye



COUNTY CLERK

Council Chair
Mike White

Vice-Chair
Robert Carroll

Presiding Officer Pro Tempore
Stacy Crivello

Councilmembers
Alika Atay
Elle Cochran
Don S. Guzman
Riki Hokama
Kelly T. King
Yuki Lei K. Sugimura



Director of Council Services
Maria E. Zielinski

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

October 5, 2018

Catherine P. Bessant
Chief Operations and Technology Officer
Bank of America Corporate Center
100 North Tryon Street
Charlotte NC 28255

Aloha Ms. Bessant,

I am writing to let you know that I fully support Hawaii's Governor David Y. Ige in his letter to you dated April 18, 2018. The Governor's letter describes the situation surrounding the unfulfilled \$150 million dollar pledge by Bank of America in 1994 to the FHA loan program. He also requests your presence here in Hawaii to meet with representatives of the Hawaiian community to explain why Bank of America has not honored this commitment from so long ago.

I urge you to respond in good faith, come to Hawaii and meet with Kehau Filimoe'atu, representative for the Hawaiian beneficiaries, and help clarify the situation for all concerned. My office is at your disposal if I can be of any assistance.

Mahalo for your prompt attention to this matter.

A handwritten signature in black ink that reads "Kelly T. King". The signature is written in a cursive, flowing style.

KELLY T. KING
Councilmember
(808) 270-7108

cc: File

SCR-45

Submitted on: 3/24/2019 3:04:15 PM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Teresa Shook	Testifying for Founder Women's March	Support	No

Comments:

Testimony in support of Senate Resolution 32 and Senate Concurrent Resolution 45 SUPPORTING THE GOVERNOR'S EFFORTS IN URGING THE BANK OF AMERICA TO RETURN TO HAWAII TO MEET WITH NA PO'E KOKUA AND THE HAWAII FAIR LENDING COALITION TO REACH A SETTLEMENT AGREEMENT RELATING TO A \$150,000,000 LOAN COMMITMENT FOR NATIVE HAWAIIANS ON HAWAIIAN HOME LANDS. COMMITTEE ON HAWAIIAN AFFAIRS Senator Maile S.L. Shimabukuro, Chair Senator Kaiali'i Kahele, Vice Chair Hearing Date Thursday, March 28, 2019 1:15pm in Room 016 Aloha Chair Shimabukuro and Vice Chair Kahele and members of the Hawaiian Affairs Committee: Thank you for hearing the resolutions supporting the Governor's efforts to reach a settlement agreement with Bank of America. I strongly support SR 32 and SCR 45. As a resident of Hana and the original founder of the national Women's March, I am particularly concerned about home ownership among Hawaiians, women, and members of my community. In fact, last October, I wrote to Cathy Bessant, Chief Operations and Technology Officer of Bank of America, urging her to come to Hawaii to meet with Kehau Filimoe`atu, President of NĀ• Po`e KĀ• kua (NPK) to reach a fair and final settlement of Bank of America's unfulfilled \$150 Million commitment, as requested by Governor David Ige last April. Unfortunately, I received no response from anyone at Bank of America. Given this lack of communication, I hope to see Ms. Bessant at the Hawaiian Affairs Committee hearing so that she can respond to questions that are being raised throughout Hawaii about this unfulfilled commitment. And finally, I am very proud of the Hawaii State Senate, Maui County Council, and Governor for taking a united stance in ensuring that Bank of America do the right thing. Sincerely, Teresa Shook

My letter to BOA:

Teresa A. Shook P.O. Box 488 Hana, HI 96713 October 17, 2018 Ms. Catherine P. Bessant Chief Operations and Technology Officer Bank of America 100 North Tryon Street Charlotte, NC 28255 Dear Ms. Bessant: I am the original founder of the Women's March and I live in Hana, Maui. As a longtime resident of this small, remote community, which is predominantly of Hawaiian descent, I can attest to the difficulty of home ownership here in Hana and elsewhere on Maui and the Hawaii Islands. Because of the cost, many Hawaiians are unable to purchase homes on the land where they live. This in and of itself is outrageous. More outrageous is Bank of America's failure to honor its

commitment. Single women with families are especially impacted. As a woman who is dedicated to empowering women, you should care about the commitment Bank of America made to the federal banking regulators for the benefit of the Hawaiian people. Sadly, the 20th anniversary of the deadline for this commitment has come and gone. Hawaiian families have missed the opportunity to build equity, reap the benefits of a booming housing market and to pay an affordable mortgage rather than skyrocketing rents. It is time for the Bank of America to sit down with Na Po'e Kokua and reach a fair and final settlement that honors the original commitment and is fair to the Hawaiian people. Please do the right thing. Regards, Teresa A. Shook Founder Women's March

SCR-45

Submitted on: 3/27/2019 9:29:23 AM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
De MONT R. D. CONNER	Testifying for Ho'omanapono Political Action Committee (HPAC)	Support	Yes

Comments:

WE STRONGLY SUPPORT THIS RESOLUTION! IT'S TIME BANK OF AMERICA FULFILLS ITS COMMITMENT OR ACKNOWLEDGE THAT IT LIED WHEN IT SAID IT WAS COMMITTED TO PROVIDING NATIVE HAWAIIANS WITH ACCESS TO \$150 MILLION DOLLARS!

STARN • O'TOOLE • MARCUS & FISHER

A LAW CORPORATION

SCR 45 / SR 32

Hearing Date: March 28, 2019

Hearing Time: 1:15 PM

Hearing Location: Conference Room 016

Testimony Regarding Resolution SCR 45 / SR 32

Aloha Kakou Pakahia-Apau Luna Ho'omalua Shimabukuro and Na Kenekoa of the Committee on Hawaiian Affairs:

This law firm represents the Bank of America ("BoA"). Mahalo nui for allowing me to provide testimony regarding Resolution SCR 45 / SR 32 ("Resolution") on behalf of BoA.

A. BoA Has Provided to Governor David Ige Documentation that BoA's \$150 Million Commitment ("\$150 Million Commitment") Referenced in the Resolution Has Been Met.

1. Officials of BoA met with Governor Ige in his office in the State Capitol on January 25, 2019, and in Washington D.C. on February 22, 2019 regarding the \$150 Million Commitment.
2. The purpose of BoA's referenced meetings with Governor Ige was to provide the Governor with documentation to substantiate BoA's fulfillment of its \$150 Million Commitment.
3. BoA did provide to Governor Ige documentation which substantiated that the \$150 Million Commitment has been met by BoA.

B. The Following Documentation Shows that the \$150 Million Commitment Has Been Met.

1. December 15, 2003: Letter from Department of Hawaiian Home Lands signed by Micah Kane, Chairman of Hawaiian Homes Commission to the Federal Reserve Bank of Richmond ("Letter A", attached as Letter A).

Letter A documents the following:

- a. BoA and DHHL agreed to a modification of the original \$150 Million Commitment to allow other initiatives besides residential mortgage loans to be counted toward the \$150 Million amount.

Pacific Guardian Center, Makai Tower • 733 Bishop Street, Suite 1900 • Honolulu, Hawaii 96813

Telephone: (808) 537-6100 • Fax: (808) 537-5434 • Web: www.starnlaw.com

At page 3, Letter A provides:

“During the period after May 31, 1994 until 1997, efforts were expended by BoA and DHHL to realize the full potential of the Lending Commitment. Without repeating all the efforts, and recounting the fits and starts, suffice it to say that the fulfillment of the Lending Commitment fell short of the expectations of both DHHL and BoA.

As a result, to facilitate its fulfillment, BoA and DHHL agreed to a modification of the Lending Commitment to allow other initiatives besides residential mortgage loans to be counted towards the \$150 million amount. These initiatives included matters such as the provision of construction loans to DHHL at below market terms, sponsorship of and assistance to DHHL in connection with securing housing grants, and fostering the participation of persons in BoA’s Leadership Academy.” (Emphasis supplied)

- b. DHHL and BoA agreed that as of November 6, 2003, \$80,608,327 remained outstanding on the \$150 Million Commitment.

At page 4 footnote 2, Letter A provides:

“In a meeting between DHHL and BoA held on November 6, 2003, BoA agreed that only \$69,391,573 will be counted towards the \$150 million commitment, thereby leaving \$80,608,327 as the outstanding amount of the commitment to be fulfilled.”

- c. DHHL and BoA agreed to a going-forward working relationship structure for BoA to satisfy the remaining \$80,608,327 of the \$150 Million Commitment.
- 2. December 15, 2003: Letter from BoA to Micah Kane, Chairman of Hawaiian Homes Commission (“Letter B”, attached as Letter B).

Letter B documents the following:

- a. Letter B confirms the agreed upon content contained in Letter A.
 - b. Letter B confirmed the role and authority of Ben Henderson as Deputy to the DHHL Director/Hawaiian Homes Commission Chairman. Ben Henderson is mentioned prominently in Letter B as a participant in discussions between DHHL and BoA. On page 1, Letter B states in relevant part: “However, this letter will serve to confirm that Bank of America has agreed that only \$69,391,673 will be counted towards the \$150 million commitment **as set out in the June 27, 2003 letter from Ben Henderson**, thereby leaving \$80,608, 327 as the outstanding amount of the commitment to fulfilled (“Lending Commitment”).” (Emphasis supplied)
- 3. March 16, 2007: Letter from BoA to Ben Henderson, State of Hawaii Department of Hawaiian Homelands (“Letter C”, attached as Letter C).

Letter C documents the following:

- a. Letter C attaches a report which summarized the loans, grants and investments that fulfill the \$150 Million Commitment.

At page 1, Letter C states:

“As you are aware, Bank of America has worked diligently for more than 13 years to achieve our goal of lending or investing \$150,000,000 to help native Hawaiians reach their dream of home ownership on native soil. We are proud to report that we have surpassed our goal with the help of the Department of Hawaiian Homelands and many individuals and organizations involved in native Hawaiian issues. The attached report summarizes the loans, grants and investments that make up our \$151,720,630 in production to date. Please review the attached report and indicate your agreement or contact me with any questions.”

4. October 3, 2007: Letter from Ben Henderson, Deputy to the Chairman, to BoA (“Letter D”, attached as Letter D).

Letter D documents that DHHL formally acknowledges that the \$150 Million Commitment has been met by BoA.

Letter D provides on page 1:

“The statement of BoA contributions toward fulfillment of its commitment appear to be in order. **The Department of Hawaiian Home Lands (DHHL) is therefore pleased to formally acknowledge that the \$150,000,000 commitment has been met by Bank of America.**” (Emphasis supplied)


- C. Governor Ige Is Continuing to Complete Research and Due Diligence to Vet the Documentation Provided to Him by BoA Demonstrating its Fulfillment of the \$150 Million Commitment.

In BoA’s meetings with Governor Ige, it is clear that the Governor has taken very seriously his undertaking relating to the \$150 Million Commitment in a fair and impartial manner, and has provided considerable resources to perform his undertaking. BoA has provided full cooperation to the Governor to enable him to perform his undertaking.

- D. BoA respectfully requests that future communications be directed, in addition to the undersigned, solely to Andrew Plepler, Global Environmental, Social and Governance executive at BoA. Mr. Plepler is the principal executive at BoA whose kuleana and authority are to address matters relating to the \$150 Million Commitment.
- E. BoA respectfully requests deferral of SCR 45 / SR32.

Mahalo nui loa for allowing me to present this testimony on behalf of BoA.

Me ke aloha pumehana a mau loa apau,

A handwritten signature in black ink, appearing to read 'Ivan M. Lui-Kwan'.

Ivan M. Lui-Kwan

LETTER A

LINDA LINGLE
CO-CHAIRMAN
STATE OF HAWAII



STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
P.O. BOX 1879
HONOLULU, HAWAII 96805

MICHAEL A. KANE
CHAIRMAN
HAWAIIAN HOMES COMMISSION
DAN HENDERSON
DEPUTY TO THE CHAIRMAN
KADLENA IL PARK
EXECUTIVE ASSISTANT

BANKING SUPERVISION AND
REGULATION DEPARTMENT

December 15, 2003

DEC 15 2003

FEDERAL RESERVE BANK
OF RICHMOND

A. Linwood Gill, III
Vice President
Federal Reserve Bank of Richmond
701 East Byrd Street
Richmond, Virginia 23261-4528

Via telefacsimile to 804-697-4021;
Hard-copy to follow.

Re: \$150 Million Commitment in Support of Native Hawaiian Housing

Dear Mr. Gill:

The Hawaiian Homes Commission ("Commission") requests your consideration of the comments below in connection with the proposed merger of FleetBoston Financial Corporation with and into Bank of America Corporation ("BoA") with BoA being the surviving corporation. The Commission is requesting that any order approving the merger include a specific directive to BoA to completely fulfill the \$150 million lending commitment first established in 1994, and to comply with certain steps articulated in this letter.

Background on the Commission.

The mission of the Commission is to manage the Hawaiian Home Lands trust effectively, and to develop and deliver lands to native Hawaiians. The trust is unique in part because it was established by Congress pursuant to the Hawaiian Homes Commission Act, 1920, 42 Stat. 108 (July 9, 1921).¹

¹ As currently stated, the purpose of the Hawaiian Homes Commission Act is as follows:

(a) The Congress of the United States and the State of Hawaii declare that the policy of this Act is to enable native Hawaiians to return to their lands in order to fully support self-sufficiency for native Hawaiians and the self-determination of native Hawaiians in the administration of this Act, and the preservation of the values, traditions, and culture of native Hawaiians.

(b) The principal purposes of this Act include but are not limited to:

A. Linwood Gill, III
December 15, 2003
Page 2

The policies and initiatives of the Commission are implemented by the Department of Hawaiian Home Lands ("DHHL"). The DHHL also provides administrative and operational support to the Commission.

The undersigned chairman of the Commission serves as the director of the Department of Hawaiian Home Lands ("DHHL"), and is in charge of the day-to-day administration and operation of the DHHL.

Brief History of the \$150 Million Lending Commitment.

In 1994, BoA sought regulatory approval to acquire Liberty Bank, Honolulu, Hawaii. The order issued by the Board of Governors of the Federal Reserve Board ("FRB") approving the acquisition, effective May 31, 1994, referenced the \$150 million lending commitment as follows:

- (1) Establishing a permanent land base for the benefit and use of native Hawaiians, upon which they may live, farm, ranch, and otherwise engage in commercial or industrial or any other activities as authorized in this Act;
- (2) Placing native Hawaiians on the lands set aside under this Act in a prompt and efficient manner and assuring long-term tenancy to beneficiaries of this Act and their successors;
- (3) Preventing alienation of the fee title to the lands set aside under this Act so that these lands will always be held in trust for continued use by native Hawaiians in perpetuity;
- (4) Providing adequate amounts of water and supporting infrastructure, so that homestead lands will always be usable and accessible; and
- (5) Providing financial support and technical assistance to native Hawaiian beneficiaries of this Act so that by pursuing strategies to enhance economic self-sufficiency and promote community-based development, the traditions, culture and quality of life of native Hawaiians shall be forever self-sustaining.

(c) In recognition of the solemn trust created by this Act, and the historical government to government relationship between the United States and Kingdom of Hawaii, the United States and the State of Hawaii hereby acknowledge the trust established under this Act and affirm their fiduciary duty to faithfully administer the provisions of this Act on behalf of the native Hawaiian beneficiaries of the Act.

- (d) Nothing in this Act shall be construed to:
 - (1) Affect the rights of the descendants of the indigenous citizens of the Kingdom of Hawaii to seek redress of any wrongful activities associated with the overthrow of the Kingdom of Hawaii; or
 - (2) Alter the obligations of the United States and the State of Hawaii to carry out their public trust responsibilities under section 5 of the Admission Act to native Hawaiians and other descendants of the indigenous citizens of the Kingdom of Hawaii.

A. Linwood Gill, III
December 15, 2003
Page 3

Bank of America FSB recently announced a comprehensive program to enhance service to the native Hawaiian and Filipino communities. The program includes a four-year commitment to provide \$150 million in residential mortgage loans for native Hawaiians seeking housing on Department of Hawaiian Home Lands (sic). (Emphasis added.)

This \$150 million lending commitment ("Lending Commitment") played a significant role in facilitating the favorable consideration of the acquisition of Liberty Bank:

As discussed in this order, BankAmerica plans to increase its CRA-related lending in Hawaii. The Board believes that these plans, when viewed in the context of the outstanding or satisfactory performance ratings for BankAmerica's subsidiary banks, support approval of this application.

Order at pp. 21-22.

During the period after May 31, 1994 until 1997, efforts were expended by BoA and DHHL to realize the full potential of the Lending Commitment. Without repeating all the efforts, and recounting the fits and starts, suffice it to say that the fulfillment of the Lending Commitment fell short of the expectations of both DHHL and BoA.

As a result, to facilitate its fulfillment, BoA and DHHL agreed to a modification of the Lending Commitment to allow other initiatives besides residential mortgage loans to be counted towards the \$150 million amount. These initiatives included matters such as the provision of construction loans to DHHL at below market terms, sponsorship of and assistance to DHHL in connection with securing housing grants, and fostering the participation of persons in BoA's Leadership Academy.

Despite the addition of these initiatives, the Lending Commitment was not completely fulfilled within the four-year period. The Lending Commitment did not expire as a result. Rather, the Lending Commitment was renewed in connection with the effort of NationsBank Corporation to merge with BankAmerica Corporation. In the order approving the merger, effective August 17, 1998, the FRB specifically noted that New BankAmerica would honor all outstanding CRA commitments, including the \$150 million commitment:

NationsBank also has stated that New BankAmerica would honor all of the outstanding CRA commitments that NationsBank and BankAmerica have with states and community groups, including BankAmerica's commitment to provide \$40 million in annual charitable contributions and to provide \$150 million in loans in Hawaii. (Emphasis added.)

NationsBank Order at p. 62.

A. Linwood Gill, III
December 15, 2003
Page 4.

To date, despite the passage of almost 10 years since the Lending Commitment was first established, BoA has fulfilled less than 50% of the commitment, leaving just over \$80 million remaining unfulfilled.²

Relief Requested.

A bank's fulfillment of a CRA lending commitment should not be lightly set aside, nor should disregard or even avoidance of such a commitment by a bank be condoned.³

Given the lengthy passage of time since the Lending Commitment was originally established, and the level of non-performance on the commitment to date, the Commission requests that any order approving the proposed merger include a specific directive to BoA to completely fulfill the \$150 million lending.

The Commission believes that on a going-forward basis, fulfillment of the Lending Commitment will best be accomplished by establishing a direct working relationship between DHHL and BoA. Accordingly, the Commission further requests that any order approving the proposed merger include a specific directive to BoA to comply with the following steps:

1. BoA shall assign a Senior Client Manager who will act as its primary contact point for DHHL as well a resource in the assessment of business opportunities by DHHL.
2. DHHL shall designate staff personnel to serve as its primary contact point

² In a meeting between DHHL and BoA held on November 4, 2003, BoA agreed that only \$69,391,673 will be counted towards the \$150 million commitment, thereby leaving \$80,608,327 as the outstanding amount of the commitment to be fulfilled.

³ In its 1994 order approving the acquisition of Liberty Bank by BoA, the FRB apprised BoA of its expectation that BoA will fully implement its CRA initiatives:

The Board expects Bank of America FSB to fully implement its CRA initiatives and to continue to improve its CRA performance, including its house-renting lending, in all of its delineated communities, and to address the issues raised by the OTS in its most recent CRA performance examination. The Board will continue to monitor implementation by Bank of America FSB of an effective CRA program in Hawaii, and will take this review into account in future applications to establish a depository facility. In this regard, the Board requires as a condition of its action in this case, that BankAmerica submit to the Federal Reserve Bank of San Francisco copies of any reports submitted to the OTS in connection with Bank of America FSB's CRA performance, including the results of its lending programs and initiatives and its progress in increasing the levels of its lending to low- and moderate-income and minority individuals and communities.

Order at pp. 22-23.

LETTER B

Bank of America



Douglas B. Woodruff
President
Community Development Banking

December 15, 2003

Bank of America
MD1-800-13-23
600 Market Street
St. Louis, MO 63101-3500

Tel 314.466.5170
Fax 314.466.1919

Mr. Micah A. Kane, Chairman
Hawaiian Homes Commission
P.O. Box 1879
1099 Alakea Street, Suite 2000
Honolulu, Hawaii 96805-1879

Dear Micah:

Re: \$150 Million Commitment in Support of Native Hawaiian Housing

It was a pleasure meeting with you, Ben Henderson, and Kaulana Park in Honolulu. As we discussed, the purpose[s] of sending this letter to you are: (1) to confirm that Bank of America will fulfill its CRA-related lending commitment referred to in the Order issued by the Board of Governors of the Federal Reserve Board, effective May 31, 1994, in connection with Bank of America's request for approval to acquire Liberty Bank, Honolulu, Hawaii, as well as in subsequent correspondence, and (2) to set forth an action plan to facilitate the fulfillment of this commitment.

From Bank of America's perspective, it has provided over \$121 million in financing commitments, technical assistance, and grants in support of affordable housing benefiting native Hawaiians from the time of its original commitment in 1994 up to December 31, 2002. However, this letter will serve to confirm that Bank of America has agreed that only \$69,391,673 will be counted towards the \$150 million commitment as set out in the June 27, 2003 letter from Ben Henderson, thereby leaving \$80,608,327 as the outstanding amount of the commitment to be fulfilled ("Lending Commitment").

I would like to hereby affirm BoA's intent to continue to finance, support and promote safe and affordable housing for native Hawaiians, and further affirm that Bank of America will fulfill the Lending Commitment. Bank of America agrees that its efforts to fulfill the Lending Commitment will not be adversely affected or impaired if the proposed merger between Bank of America and FleetBoston Financial Corporation ("FleetBoston") is consummated. Furthermore, Bank of America has no objection in having the Federal Reserve Board include the Lending Commitment as outlined in this letter to any order approving the proposed merger between Bank of America and FleetBoston.

As you know, I believe that on a going-forward basis, fulfillment of the Lending Commitment can best be accomplished by working closely with you and your department. I am therefore pleased that both DHHL and Bank of America agree that fulfillment of the Lending Commitment will require fostering a direct working relationship between the entities. Thus, we



have mutually agreed to take the following steps:

1. We will assign a Senior Client Manager who will act as Bank of America's primary contact point for DHHL as well a resource in the assessment of business opportunities by DHHL. A new contact point will be designated by Bank of America or its successor should the assigned Senior Client Manager be affected by the proposed merger between Bank of America and FleetBoston.
2. DHHL will designate staff personnel to serve as its primary contact point for Bank of America. The staff personnel will be knowledgeable as regards DHHL's proposed initiatives, including, but not limited to, matters relating to project financing requirements, and residential mortgage lending requirements.
3. Our Senior Client Manager and the DHHL's staff personnel will engage in discussions on as frequent a basis as possible to facilitate Bank of America's fulfillment of the Lending Commitment. These discussions shall include but not be limited to: (i) identifying, discussing, and exploring new opportunities to facilitate Bank of America's fulfillment of the Lending Commitment, and (ii) the implementation of or the status of pending projects in which the bank is a participant. In addition, Bank of America specifically agrees that it shall engage in discussions on and explore alternative measures that DHHL may propose to facilitate the ability of Bank of America to fulfill the Lending Commitment, such as implementing terms and conditions on lending opportunities which are advantageous to DHHL, or other measures to accelerate the bank's fulfillment of the Lending Commitment.

As further assurance to DHHL, Bank of America shall give favorable consideration to any reasonable and appropriate financing opportunity which could facilitate its fulfillment of the Lending Commitment. In this regard, to immediately move forward, within three (3) weeks after this letter has been sent to you, I will contact you to schedule a meeting to discuss possible financing opportunities in support of native Hawaiian housing, related performance benchmarks, etc.

Finally, from time to time, Bank of America will continue to work with other native Hawaiian organizations where mutually beneficial opportunities arise. However, since it is DHHL who plays the vital and catalytic role in the creation of housing opportunities for native Hawaiians, please note that Bank of America's primary communication and dialogue on the fulfillment of the Lending Commitment will be with DHHL.

Again, thank you for meeting with us in helping to move the parties forward.

Sincerely,


Douglas B. Woodruff

President, Community Development Banking

cc: Tim Lui-Kwan, Esq.

LETTER C

Bank of America.



James W. Feild
Senior Vice President
Community Development Banking

Bank of America
TX1-492-18-03
901 Main Street, 18th Floor
Dallas, TX 75202

Tel 214.209.0362
Fax 214.209.3840

March 16, 2007

(July 23, 2007)

Mr. Ben Henderson
State of Hawaii
Department of Hawaiian Homelands
1099 Alakea Street, Suite 2000
Honolulu, Hawaii 96805-1879

Dear Ben:

As you are aware, Bank of America has worked diligently for more than 13 years to achieve our goal of lending or investing \$150,000,000 to help native Hawaiian families reach their dream of home ownership on native soil. We are proud to report that we have surpassed our goal with the help of the Department of Hawaiian Homelands and many individuals and organizations involved in native Hawaiian issues. The attached report summarizes the loans, grants and investments that make up our \$151,720,630 in production to date. Please review the attached report and indicate your agreement or contact me with any questions.

It has been a pleasure working with you and your staff. As we discussed earlier this year, Bank of America has also developed client relationships with developers that intend to build more homes on trust lands for native Hawaiian families. Even though we have met our formal goals, we hope to continue to serve these clients. I hope our efforts to serve our clients also help the Department of Hawaiian Homelands achieve your goals.

Sincerely,

James W. Feild
Senior Vice President

cc: Micah Kane
Ximena Delgado
Ron Salgado

Amounts Towards \$150 Million Hawaii Commitment

Information from DHHL	Amount of \$ Provided	Applied to DHHL Commitment**
Lai'opua/commitment letter	\$0	\$10,527,500
Waiehu Kou II/Construction & TO	\$11,716,534	\$11,716,534
Kopolei Rento to Own/Construction	\$10,607,639	\$10,607,639
FHLB AHP Grants	\$1,600,000	\$1,600,000
FHA 247 and Hula Mae Loans	\$31,600,000	\$31,600,000
Technical Training Sponsorship	\$40,000	\$40,000
CDFI for HCA (3:1) Ratio	\$250,000	\$750,000
Grants to HCA (4:1) Ratio	\$150,000	\$600,000
IDA Grant to OHA	\$150,000	\$150,000
HCA originated mortgages	\$1,800,000	\$1,800,000
Total	\$57,914,173	\$69,391,673

2004 Activity by Bank of America		
Waiehu Kou III Revolving Line of Credit	\$6,000,000	\$6,000,000
Waiehu Kou III, AHP (closed in 2003)		\$404,955
HCA Originated Mortgages Year-end 2004		\$7,177,350
HCA Warehouse Line of Credit		\$200,000
HCA grants paid in 2003, (4:1) ratio	\$100,000	\$400,000
Hawaii HomeOwnership Center, Paid 2003, (4:1) ratio	\$50,000	\$200,000
Hawaii HomeOwnership Center, Mortgages to DHHL families in 2003		\$1,246,466
Hawaii Community Assets grants paid in 2004, (4:1) Ratio	\$75,000	\$300,000
Total since 2003 and Year-end 2004	\$6,225,000	\$15,928,771

2004 Actuals/Revised numbers	Actual Amount	Difference
Waiehu Kou III Revolving Line of Credit Actual Draw down	\$9,362,156	\$3,362,156
HCA Originated mortgages 2004 (Revised amount)	\$7,343,013	\$165,663
	Difference	\$3,527,819
Revised Grand total for 2004		\$19,456,590

Note: A Letter to Chairman Kane detailing the Bank's activity was sent/dated 1/7/05. We need to follow up to make sure that the revisions to the numbers are included in the next communication.

2005 HCA Originated Mortgages		
HCA Originated mortgages Jan-March 2005		\$5,863,947
HCA Originated mortgages April-June 05		\$4,721,377
HCA Originated mortgages July-September 2005		\$4,285,991
HCA Originated mortgages October-December 2005		\$1,870,729
Other Fundings in 2005		
Hawaii HomeOwnership Center, Paid 2005, (4:1) ratio	\$75,000	\$300,000
HCA Paid 2005, (4:1) ratio	\$75,000	\$300,000
2005 Activity		\$17,342,044

**On November 2003, DHHL and Bank representatives met and agreed that the Bank had made good on \$69,391,673 towards the \$150 Million Hawaii Commitment. Those totals are delineated above.

2006 Activity		
Villages of Leial'i		\$14,586,216.00
Villages of Leial'i actual draw down	\$19,468,429	\$4,882,213.00
Hawaii HomeOwnership Center, Paid 2006, (4:1) ratio	\$50,000	\$200,000
HCA Paid 2006, (4:1) ratio	\$100,000	\$400,000
HCA Originated mortgages Jan-March 2006		\$1,633,456
HCA Originated mortgages April-June 2006		\$2,329,567
HCA Originated mortgages July-December 2006		\$7,800,000
Corrected # HCA Originated July-December 2006 (minus)		-\$2,094,023
HCA Original Warehouse Line of Credit forgiven (4:1) ratio	\$250,000	\$1,000,000
Waiehu Kou 4 Wailuku, HI (Dowling Co.) Revolving Line		\$10,500,000.00
	2006 Activity	\$41,237,429

2007 Activity		
HCA Grant Paid 2007, (4:1) ratio	\$25,000	\$100,000
HCA Originated mortgages Jan-March 2007		\$1,728,268
HCA Originated mortgages April-June 2007		\$2,464,626
	2007 Activity	\$4,292,894
	Grand Total Towards Goal	\$151,720,630

101%

**On November 2003, DHHL and Bank representatives met and agreed that the Bank had made good on \$69,391,679 towards the \$150 Million Hawaii Commitment. Those totals are delineated above.

Revised: 7/20/2007

LETTER D

LINDA LINGLE
GOVERNOR
STATE OF HAWAII



MICAH A. KANE
CHAIRMAN
HAWAIIAN HOMES COMMISSION

BEN HENDERSON
DEPUTY TO THE CHAIRMAN

KAULANA H. PARK
EXECUTIVE ASSISTANT

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOMELANDS

P.O. BOX 1879

HONOLULU, HAWAII 96805

October 3, 2007

Mr. James W. Feild
Senior Vice President
Community Development Banking
Bank of America
901 Main Street, 18th Floor
Dallas, Texas 75202

Dear James:

I apologize for the delay in responding to you regarding Bank of America's (BoA) commitment to provide \$150,000,000 in lending or investment to help native Hawaiian families fulfill their goal of homeownership on Hawaiian home lands.

It has taken us time to review the revised summary report you provided dated July 20, 2007. The statement of BoA contributions toward fulfillment of its commitment appear to be in order. The Department of Home Lands (DHHL) is therefore pleased to formally acknowledge that the \$150,000,000 commitment has been met by Bank of America.

As you are aware, DHHL is continuing its efforts to provide affordable housing for our native Hawaiian families. As we move forward with our development program, we hope that BoA will continue to pursue home financing and mortgage lending opportunities on Hawaiian home lands.

Aloha and mahalo,

A handwritten signature in cursive script, appearing to read "Ben Henderson".

Ben Henderson, Deputy to the
Chairman



Board Members

President
Jason Okuhama
Managing Partner,
Commercial & Business Lending

Secretary
Marcus Kawatachi
Deputy Director,
Hawai'i Civil Rights Commission

Trina Orimoto
Clinical & Research Psychologist

Kaipo Kukahiko
HMSA Foundation

Miwa Tamanaha
Deputy Director,
Kua'āina Ulu 'Auamo

HACBED Staff

Brent N. Kakesako
Executive Director

Keoki Noji
Chief Operating Officer

Athena T. Esene
Bookkeeper & Office Manager

Foley Pfalzgraf
Program Specialist

Chelsie Onaga
AmeriCorps VISTA

Eden Jablon
AmeriCorps VISTA

Date: March 26, 2019
To: Senator Maile S.L. Shimabukuro, Chair, Senator Kaiali'i Kahele, Vice-Chair, and members of the Committee on Hawaiian Affairs
From: Brent Kakesako, Hawai'i Alliance for Community-Based Economic Development (HACBED)
Re: Support for SCR 45 / SR32

Aloha Chair Shimabukuro, Vice-Chair Kahele, and Committee Members,

The Hawai'i Alliance for Community-Based Economic Development (HACBED) supports SCR 45 / SR32, which supports the Governor's efforts in urging the Bank of America to return to Hawai'i to meet with Na Po'e Kokua and the Hawai'i Fair Lending Coalition to reach a settlement agreement relating to a \$150,000,000 loan agreement for Native Hawaiians on Hawaiian Home Lands.

HACBED was established in 1992 as a nonprofit statewide intermediary to address social, economic, and environmental justice concerns through community-based economic development. It advances its mission with core competencies in the areas of community and organizational capacity building, community and economic development planning, and asset policy development and advocacy. HACBED also serves on the board of the National Community Reinvestment Coalition (NCRC), which is a national member-based organization focused on creating opportunities for people to build wealth.

Through both a local and national lens, the situation with Bank of America is an example of how corporations must be held accountable to the communities they serve. Transparency and clear communication should be an expectation. As such, we fully support the request from the Governor and hopefully our Legislature to urge Bank of America to return to Hawai'i to have a conversation *he alo he alo* – face to face – with the communities they have *kūleana* with to meet as equals. Over the past 27 years HACBED has provide support to grassroots organizations across both the Native Hawaiian and broader community and we have been humbled at the *'ike* and vision these individual communities have shared with us face to face. For example, in 2015, HACBED released a report for the State Office of Planning and Department of Hawaiian Home Lands, which compiled the voices of homestead leaders to guide economic development on or near Hawaiian homestead communities. The report, entitled *Kupaianaha*, which was so called because of the amazing vision and work being done by homestead communities, highlighted the importance of connections to create community *waimai*, or wealth. The Kupaianaha Framework, built on work done by Ho'oulu 'Āina, provides guiding questions on how holistic economic development should be grounded by connections to others, place, past and future, and self, and demonstrates the underlying importance of culture and traditional knowledge.

Our support of the Kupaianaha effort is just an example that demonstrates that Native Hawaiian communities know what they need and are working towards providing for themselves in holistic ways that are grounded in place and connected to culture when they can. Support from other entities, such as Bank of America, would only help these communities more quickly achieve their vision. As such, we fully support SCR 45 / SR32, particularly the request from the Governor and hopefully our Legislature to urge Bank of America to return to Hawai'i to have a conversation *he alo he alo* with the communities they have *kūleana* with to reach a settlement to support families from this place – Hawai'i.

Mahalo for this opportunity to testify,

Brent N. Kakesako
Executive Director

SCR-45

Submitted on: 3/27/2019 12:45:34 PM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kehaulani Filimoe`atu	Testifying for Na Po'e Kokua	Support	Yes

Comments:

LATE



Pu'uhonua Bumpy Kanahele
Head of State, Nation of Hawai'i
Email: puuhonua13@gmail.com

March 27, 2019

Committee on Hawaiian Affairs
Senator Maile S.L. Shimabukuro, Chair
Senator Kaiali'i Kahele, Vice Chair

Hearing: Thursday, March 28, 2019, 1:15 p.m.

Testimony in **Strong Support** of SCR 45 / SR 32

Aloha, Senator Shimabukuro, Senator Kahele and members of the committee on Hawaiian Affairs committee for this opportunity. My name is Pu'uhonua Bumpy Kanahele and I am the Head of State for the Nation of Hawai'i. I am here today, to testify in **strong support** of SCR 45 and SR 32. I have been involved in the Bank of America unfulfilled \$150 million commitment to the Hawaiian community for over 25 years.

My testimony includes excerpts of reports on Bank of America's commitment to the Waimanalo neighborhood board with some responses from Micah Kane, who was the DHHL Chair at that time. In 2007, the Lingle administration sent a letter to Bank of America, stating that the \$150 million commitment had been fulfilled.

MONDAY, MAY 12, 2003 Dennis Bumpy Kanahele, Chief Executive Officer of Aloha First, reported that the genesis of Bank of America's \$150 million commitment to financing the native Hawaiian community originated in December 1993, based upon strong evidence with the bank practice of discriminating against Hawaiians and Filipinos. The Hawaii Fair Lending Coalition proceeded to formally protest Bank of America's application to the Office of Thrift Supervision for regulatory approval to merge with Liberty Bank. The protest resulted in a six-month delay of regulatory approval of the merger. One of the conditions for the merger was for Bank of America to carry out their \$150 million commitment to the Hawaiian Community in four-year period from July 1994 to June 1998. To this date, Bank of America has given only \$30 million thereby the bank has reneged on its \$150 million commitment. However, Kanahele noted that in 1998, his business partner Ian Chan Hodges reached an agreement with NationsBank regarding support for the creation of the Native Hawaiian Community Development Financial Institution (CDFI). NationsBank (and its successors) have agreed to do the following:

a minimum of \$1 million invested in the Native Hawaiian CDFI and up to \$3.5 million with matching funds; \$125,000 in organizing grants; in-kind professional assistance as requested; and NationsBank/Bank of America travel to Hawaii for a meeting with CDFI organizers, Chair of the Department of Hawaiian Homelands and the Governor.

Discussion followed:

- (1) Chair W. Ho noted that in the chart distributed by Kanahele under Office of the Comptroller of Currency (OCC), it stated that as of December 3, 2002, the bank claims have to have financed \$114 million in financing the Hawaiian Community. Kanahele replied that the bank has given only \$30 million.
- (2) Kanahele noted that the Hawaiian Community is the richest in assets but poorest in terms of their economic condition. Kanahele asked the Board and community to support the \$150 million project. Department of Hawaiian Homelands Director Micah Kane will follow up on it.
- (3) Spencer noted that Waimanalo has been designated by the U.S. Department of Housing and Urban Development (HUD) thereby making the community eligible for housing assistance. Spencer suggested that the Board write a letter to the Office of the Comptroller of Currency (OCC). Spencer further stated that the Native Hawaiians are medically underserved thus their health conditions are even worse than third world nations.

On June 9, 2003 Micah Kane stated that the Department of Hawaiian Homelands would work with Bumpy Kanahele to have Bank of America fund their \$150 million commitment to the Hawaiian Community.

On JULY 14, 2003 Micah Kane reported that the Department of Hawaiian Homelands is working to have Bank of America to fulfill their \$150 million commitment to Native Hawaiians

On AUGUST 11, 2003 **Bumpy distributed** an article written by Kahilihiwa Kipapa stating that Bank of America can show their Aloha by fulfilling its \$150 million commitment to Native Hawaiians.

On SEPTEMBER 8, 2003 Bumpy Kanahele reported the following:

- (1) Bank of America is in its fifth year of default of its commitment to provide \$150 million for Native Hawaiians including \$4.5 million as seed money to establish a Native Hawaiian-owned bank. Having Native Hawaiians united as business partners will more than anything else give Native Hawaiians economic independence. In addition, he is compiling documents that could be used to press criminal charges against Bank of America.

On OCTOBER 13, 2003 Dennis Bumpy Kanahele reported the following:

- (1) On September 13, 2003, Aloha First and Na Kupuna o Maui filed a complaint against Bank of America with the United States Attorney's Office in the District of Hawaii. The complaint pointed out Bank of America's interference, coercion, intimidation, threatening and retaliation in efforts of holding them accountable in fulfilling their \$150 million commitment to the Hawaiian people including (as evidence) spending \$45,000 to establish a financial literacy program as a payoff (hush money).

On NOVEMBER 10, 2003 Dennis Bumpy Kanahele reported the following: that after working well with Department of Hawaiian Homelands (DHHL) Director Micah Kane, DHHL is now working behind the scenes with Bank of America where it has not fulfilled their \$150 million of obligations to Native Hawaiians. DHHL is working with the bottom level of Bank of America while the Nation of Hawaii has been dealing with the bank's regional boss.

One of the senior officials at DHHL is a former employee of Bank of America who has been trying to eliminate the proposed Hawaiian-owned bank from the beginning. Whenever there is a bank merger occurring, there is a window of opportunity for public input. Bank of America is planning to spend \$47 billion to acquire Fleet Bank of Boston.

It was nine years earlier that Nation of Hawaii as well as other groups and organizations blocked another Bank of America merger with Liberty Bank and Nations Bank for at least three months.

Bank of America is under pressure to make backroom deals with the State. Kanahele implored both Kane and to the Lingle Administration not to sell out by not making any backroom deals with Bank of America. Kanahele concluded that DHHL does not have the experience, motivation or standing to fully secure Bank of America's \$150 million commitment as a potential source of wealth for the Hawaiian people. DHHL must fulfill this commitment now. Kanahele noted that the Hawaiians are the manifestation of the Aloha Spirit.

GOVERNOR'S REPRESENTATIVE: Micah Kane reported the following: (1) In response to Kanahele's report, Kane clarified his position by stating that as DHHL's Director, he does not object to the establishment of a Hawaiian-owned bank. Kane noted that he has held a meeting with the State Attorney General Mark Bennett, Deputy State Attorney General Richard Bissen and a Bank of America representative, to establish a legal framework to have Bank of America fulfill their \$150 million commitment to the Hawaiian people.

Discussion followed: (1) Spencer asked if the legal framework includes fees. Kane replied that the previous framework did not include specifics. Spencer asked Kane if he would be an advocate of a Hawaiian-owned bank. Kane could not give a definitive answer. Spencer suggested that Kanahele should be at the same negotiating table as Kane when dealing with Bank of America. (2) Lucy Akau noted that Waianae Homesteaders are forming their own credit union. (3) Kevin Andrews commented that Kane's job as DHHL Director is to find monies to place Hawaiians on Homestead Lands. Spencer stated that she has waited fifteen years to move into Hawaiian Homestead land. (4) Jamila noted that Kane as DHHL Director, Kane was not in a position to give any details regarding talks with Bank of America representatives. Jamila further commented that when Lingle was elected Governor more than a year ago, he asked Lingle to send a Governor's representative to attend the Board meetings on a regular basis, little did he know that the Governor's representative to this Board would be the DHHL Director Micah Kane.

On JANUARY 12, 2004: Dennis Bumpy Kanahele stated his strong disapproval to Department of Hawaiian Homelands (DHHL) Director Kane stating that at DHHL's meeting held on December 15, 2003 where the DHHL Commissioners admitted that they did not approve nor knew about Bank of America's \$150 million commitment to Native Hawaiians. At the meeting, it was reported that DHHL Kane mentioned the following "I didn't think I had to go to the commissioners for any approval" and that "its in the Attorney General's hands, he'll go for the throat."

With DHHL Commissioners not consulted on Bank of America's \$150 million commitment to Native Hawaiians, Kanahele called for Kane's resignation. Kane confirmed that he made these statements at the DHHL's December 15, 2003 meeting.

As mentioned earlier, Dennis Bumpy Kanahele reported that at the State Department of Hawaiian Homelands' (DHHL) Community Meeting held on December 15, 2003 held at Blanche Pope Elementary School, DHHL Commissioners admitted that they did not approve nor knew about Bank of America's \$150 million commitment to Native Hawaiians. At the meeting, it was reported that DHHL Kane mentioned the following "I didn't think I had to go to the commissioners for any approval" and that "its in the Attorney General's hands, he'll go for the throat."

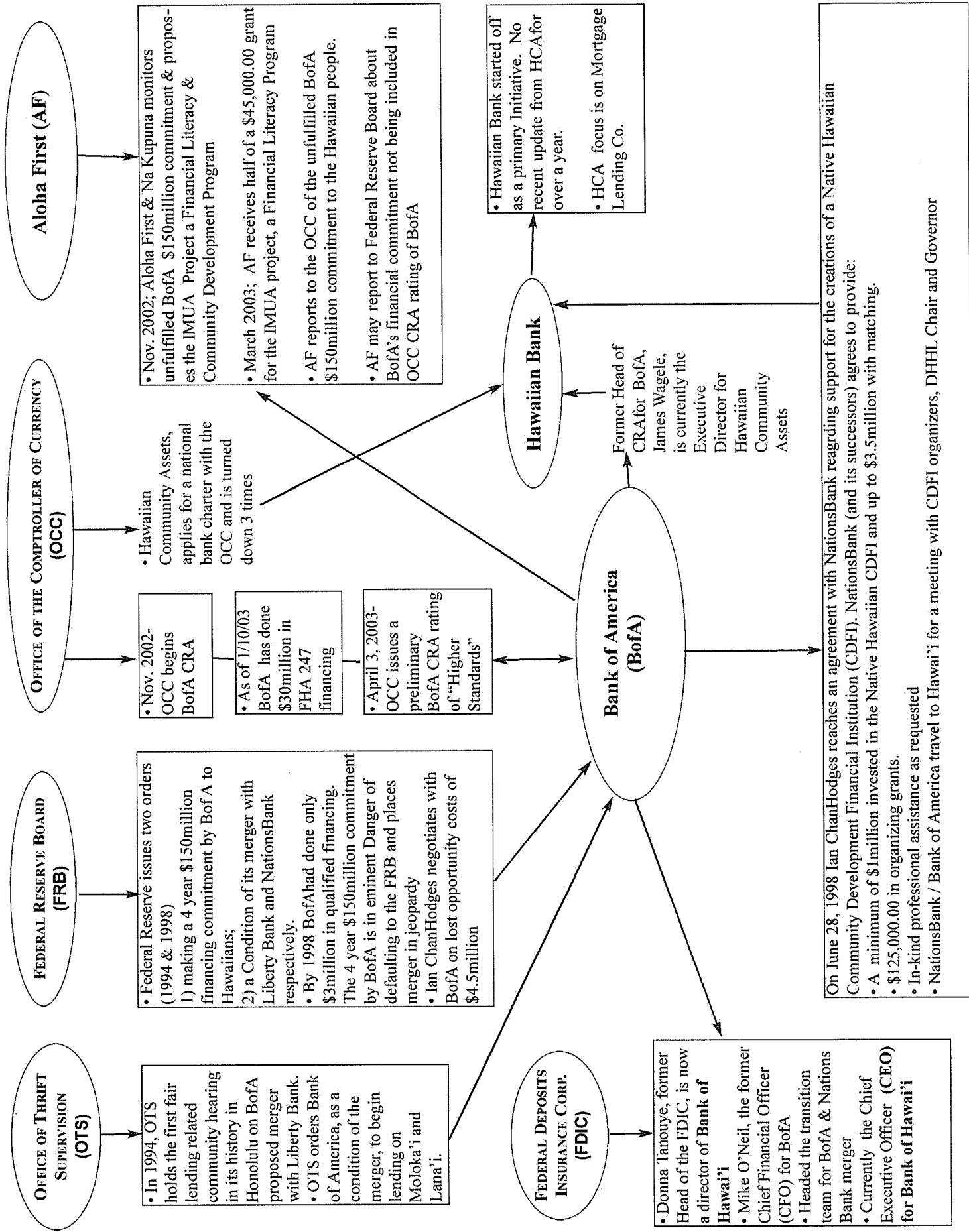
At the following DHHL Commissioners meeting held on December 16, 2003, Kanahele approached DHHL Commissioners Contrades and Kaalele who reaffirmed their lack of knowledge nor understanding of Bank of America's \$150 million commitment to Native Hawaiians. He reported that DHHL's Deputy Director Ben Henderson asked Kanahele if he could receive further information on Bank of America's commitment. Kanahele further mentioned that Kauai County filed their intervention for Bank of America's \$30 million commitment towards affordable housing for Kauai County. Kanahele noted that United States Department of Housing and Urban Development (HUD) Under Secretary Michael Liu and Manuel Nova of DHHL, both employees of Bank of America prior to their current government positions, who are opposed to a Native Hawaiian Owned Bank.

On FEBRUARY 9, 2004 Dennis Bumpy Kanahele reported the following: (1) The Nation of Hawaii has filed a lawsuit in the United States District Court, District of Hawaii against the United States Federal Reserve Board seeking an Injunctive Relief to Blocking the Federal Reserve from approving the merger of Bank of America and FleetBoston until Bank of America fulfills their \$150 million commitment to Native Hawaiians as they promised to do years ago. Kanahele mentioned that at last month's meeting, he reported that DHHL Director Micah Kane acted to negotiate with Bank of America representatives without consulting the Hawaiian Homes Commission. Kanahele noted that some of the individuals working at DHHL are former Bank of America employees.

On MARCH 8, 2004 Steve Tayama reported that the Federal Reserve Board has issued an order approving Bank of America's application to acquire FleetBoston Financial. The order dealt extensively with Bank of America's \$150 million commitment to the State Department of Hawaiian Homelands (DHHL). The order states that Bank of America's action are being "coordinated with the DHHL." It is these "coordinated actions" that has gotten Bank of America off the hook regarding its \$150 million commitment to the Hawaiian people. One of action was a letter by DHHL Director Micah Kane stating that he was writing on behalf of the Hawaiian Homes Commission (HHC). The Waimanalo Neighborhood Board should be aware that Mr. Kane was not writing on behalf of HHC. State law requires the concurrence of a majority of all the commissioners to which HHC is entitled shall be necessary to make any action of the Commission valid. At no time has Mr. Kane mentioned Bank of America's \$150 million commitment to the HHC nor has this item appeared on HHC's meeting agenda, as is required by law prior to any commission action.

Kane's actions has obstructed the chances of establishing a Native Hawaiian-owned Bank, therefore the Nation of Hawaii is calling on Kane to resign as DHHL Director. Tayama further stated that the Nation of Hawaii is asking the United States Ninth Circuit Court of Appeals for a judicial review of the Federal Reserve's order.

. Bottom line is Lingle's Administration let Bank of America off the hook illegally.



To: Christopher D. Young
Deputy Attorney General
333 Queen Street 10th floors
Honolulu, Hawaii 96813

On September 12, 2003, on behalf of Aloha First and Na Kupuna o Maui, we filed a complaint (see attachment 1) with U.S. Attorney's office in Honolulu which, among other matters of grave concern, stated that there was "reason to fear that, without the consent of the majority of its commissioners, the state Department of Hawaiian Home Lands may be acting in collusion with Bank of America or acting under inducement from Bank of America in an attempt to take the Hawaiian property right to Bank of America's commitment and make it property of the state while forgoing full efforts to secure this valuable right as a source of wealth for the Hawaiian community."

(See <http://starbulletin.com/2003/09/13/news/story6.html> for a story in the Honolulu Star Bulletin on the filing of this complaint)

On November 23, 2003, the 10th anniversary of the signing into law of the Apology Bill, I wrote an op/ed for the business section of the Honolulu Star-Bulletin asking the Lingle Administration to apologize for working to let Bank of America off the hook.

(see <http://starbulletin.com/2003/11/23/business/bizcol.html#jump> for the full op/ed)

On January 9, 2004, documents were provided by Mr. Robert Frierson, Associate Secretary to the Board of Governors of the Federal Reserve System, which included letters from Bank of America Community Development Group President Doug Woodruff and Department of Hawaiian Home Lands Chairman Micah Kane. We received copies of the letters which are attached (see attachment 2). In the past week, certain facts regarding these letters were confirmed and we have reason to believe the information contained therein provides evidence that Mr. Micah Kane, Chairman of the Department of Hawaiian Home Lands, did in fact, without the knowledge or consent of the majority of the Hawaiian Homes Commission, act in collusion with Bank of America and/or act under inducement from Bank of America in an attempt to take the Hawaiian property right to Bank of America's commitment and make it property of the state while forgoing full efforts to secure this valuable right as a source of wealth for the Hawaiian community."

We have reason to believe that Mr. Kane and Mr. Woodruff colluded in writing these letters to the Federal Reserve Board – two of which were written on December 15, 2003. In his letter to the Federal Reserve Board, Mr. Kane claimed to be writing on behalf of the Hawaiian Home Lands Commission and made specific requests on behalf of the Commission regarding Bank of America's Hawaiian commitment.

In fact, Mr. Kane was not writing on behalf of the Hawaiian Home Lands Commission. Hawaii law requires "the concurrence of a majority of all the members to which the commission is entitled shall be necessary to make any action of the commission valid." (Hawaii Administrative Rules §10-2-5 [Eff 7/30/81; am and comp 10/26/98] (Auth: HHC Act §222; HRS §92-15) (Imp: HHC Act §202; HRS §92-15)) Mr. Kane has at no time brought the issue of Bank of America's \$150 million commitment before the Hawaiian Homes Commission. Nor has this issue appeared as an item on the commission's meeting agenda, as is required by law for any action of the Commission.

In fact, on the day that Mr. Kane and Mr. Woodruff wrote to the Federal Reserve Board, I spoke at DHHL's community meeting and asked if any of the commissioners had been consulted regarding Bank of America's commitment. The answer from each commissioner was no. The following day, I appeared before the commissions regularly scheduled meeting and raised the issue again (see minutes in attachment 3) and received the same response.

Mr. Kane's actions "under the color of law" in claiming to be acting on behalf of the commission while entering into agreements with Bank of America which have impinged upon native Hawaiian civil rights, violated state administrative rules and resulted in the reduction in the value of Hawaiian property rights, obtained under the protection of the Fair Housing Act, of tens of millions of dollars. In Mr. Kane's December 15, 2003 letter to the Federal Reserve Board, he stated that during "a meeting between DHHL and BoA held on November 6, 2003, BoA agreed that only \$69,391,673 will be counted towards the \$150 million commitment, thereby leaving \$80,608,327 to be fulfilled." However, only FHA-247 loans qualify under the commitment and in a January 2003 letter to Na Kupuna o Maui and myself (see attachment 4), Mr. Woodruff wrote that through December 31, 2002, Bank of America had "originated nearly \$30 million in Hula Mae and FHA 247 loans." This left \$120 million outstanding, which is what Na Kupuna o Maui and Aloha First are seeking to secure as a valuable property right and source of wealth for the Hawaiian people.

In an effort to seek immediate relief, native Hawaiian plaintiffs filed suit against the Federal Reserve Board in federal court. This lawsuit received national news coverage. One national AP story can be found at the link below:

<http://starbulletin.com/2004/02/19/business/story5.html>

Without the knowledge or approval of the Hawaiian Homes Commission, Mr. Kane released Bank of America from \$39 million of its commitment to the Hawaiian people. In addition, Mr. Kane's agreement with Bank of America regarding its \$150 million commitment to Hawaiians, as outlined in the letters that he and Mr. Woodruff sent via the U.S. mails to the Federal Reserve Board, were intended by Bank of America to result in a substantial weakening of the commitment to the Hawaiian people. Acting under color of law, Mr. Kane was complicit and an accomplice in Bank of America's attempt to achieve this objective.

Therefore, we urge the Criminal Division of the state Attorney General's office to conduct a full investigation into these matters. When the Attorney General's office was called yesterday, this was the action that was recommended. In addition, we have reason to believe that it is necessary for state Attorney General Mark Bennett recuse himself from this investigation as he played a role in key meetings between Micah Kane and Bank of America. Finally, we urge that Governor Linda Lingle require Mr. Kane to take a leave of absence from his position as Chairman of the Department of Hawaiian Home Lands until such time as the investigation is completed.

Sincerely,

Pu'uhonua D. K. Bumpy Kanahelo

Nation of Hawai'i

PO Box 312

Waimanalo, HI. 96795

Phone: 808-259-9018

Fax: 808-259-9909

LATE



O`ahu County Democrats Legislative Priorities Committee

COMMITTEE ON HAWAIIAN AFFAIRS
Senator Maile S.L. Shimabukuro, Chair
Senator Kaiali`I Kahele, Vice Chair

La/DATE: Thursday, March 28, 2019
Holo/TIME: 1:15 p.m.
Wahi/PLACE: Conference Room 016, State Capitol

RE: SCR 45 / SR 32

To the Honorable Maile S.L. Shimabukuro, Chair; the Honorable Kaiali`i Kahele, Vice Chair; and Members of the Committee on Hawaiian Affairs:

My name is Melodie Aduja and I serve as Chair of the O`ahu County Democrats Legislative Priorities Committee of the Democratic Party of Hawai`i ("DPH"). Mahalo for this opportunity to submit testimony on SCR 45 and SR 32. The O`ahu County Democrats Legislative Priorities Committee hereby submits its testimony in **SUPPORT of SCR 45 and SR 32, Relating to the Bank of America \$150,000,000 Loan Commitment for Native Hawaiian Home Lands.**

SCR 45 and SR 32 support the Governor's efforts in urging the Bank of America to return to Hawai`i to meet with Na Po'e Kokua and the Hawai`i Fair Lending Coalition to reach a settlement agreement relating to a \$150,000,000 loan commitment for Native Hawaiian Home Lands.

In 1993, Na Po'e Kokua, an organization established to assist native Hawaiians with housing and related matters, formed the Hawaii Fair Lending Coalition (HFLC) and began researching how banks in Hawaii were treating native Hawaiians; and HFLC discovered that Bank of America was conducting discriminatory lending practices in the form of redlining, the practice of denying services to residents of certain areas based on the racial or ethnic composition of those areas, by not providing mortgages on Hawaiian homelands. In May 1994, as a result of HFLC's efforts and as a condition of Bank of America's acquisition of Liberty Bank, the Federal Reserve System and Office of Thrift Supervision ordered Bank of America to make \$150,000,000 in Federal Housing Administration section 247 (FHA-247) mortgages available on Hawaiian

homelands by 1998. The amount of the outstanding balance of the \$150,000,00 loan commitment remains at issue. SCR 45 and SR 32 provide a significant step towards its resolution.

Native Hawaiians are the indigenous people of Hawai'i and deserve a just relationship with the State and Federal Governments. DPH supports the growth of Native Hawaiian . . . healing practices. It values and wishes to foster the preservation of our host culture. DPH supports the efforts of Native Hawaiians to pursue self-determination. DPH also supports their right to pursue the international rights of Native Hawaiian people.

DPH acknowledges the past injustices and the misguided, harmful Federal and State policies and actions based on outdated and discredited values and beliefs that resulted in the destruction of the Hawaiian Nation's economies, social, and religious systems, the taking of their lands, and the creation of intergenerational trauma that exists to this day. DPH believes that we have a moral and profound duty to honor, respect, and uphold our sacred obligation to the Hawaiian Nation State and the Hawaiian people.

DPH also supports efforts for self-governance and self-determination of Native Hawaiians whose values are the foundation of the Hawaiian Islands. DPH supports proactive actions by the Federal and State governments to enhance Native Hawaiian culture, health, language, and education. We recognize and honor the contributions and sacrifices made in service to our county by Native Hawaiians.

DPH supports the continued engagement and empowerment of the Native Hawaiian community in decisions related to county and state affairs. *Democratic Party of Hawai'i Platform (2018), p. 15, ln. 32-50.*

We support the construction and use of micro housing units on Hawaiian home lands approved by the Department of Hawaiian Home Lands and leased to Native Hawaiian beneficiaries who meet the minimum Hawaiian blood quantum requirement, notwithstanding county zoning laws. We support multi-level housing in Transit-Oriented Development (TOD) and agribusinesses for Native Hawaiians by creating ag-tech zones to promote agricultural innovation and diversify the State's agricultural systems for domestic consumption and export. *Democratic Party of Hawai'i Platform (2018), p. 16, ln. 6-11.*

For the foregoing reasons, i.e. to value and foster the preservation of our host culture and to honor, respect, and uphold our sacred obligation to the Hawaiian Nation State and the Hawaiian people and to provide just and due housing due to them, OCCLP supports SCR 45 and SR 32, and urges its passage out of the Committee on Hawaiian Affairs.

Mahalo nui loa

Me ka `ōia`i`ō

/s/ *Melodie Aduja*

Melodie Aduja

Chair, O`ahu County Democrats Legislative Priorities Committee

Ph. (808) 258-8889

Email: legislativepriorities@gmail.com

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COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

March 27, 2019

Director of Council Services
Maria E. Zielinski

LATE

MEMO TO: Kenekoa Maile Shimabukuro
Luna Ho'omalua, Ke Kōmike Kuleana Hawai'i

F R O M: Tamara Paltin
Councilmember (West Maui District)

SUBJECT: **SCR 45 / SR 32 RE: BANK OF AMERICA'S LOAN
COMMITMENT TO NATIVE HAWAIIANS**

Mahalo for the opportunity to testify in **SUPPORT** of this important resolution. The purpose of this resolution is to support the Governor's efforts in urging the Bank of America to return to Hawai'i to meet with the Nā Po'e Kōkua and the Hawai'i Fair Lending Coalition to reach a settlement agreement relating to a \$150,000,000 loan commitment for Native Hawaiians on Hawaiian Home Lands.

Previously, I sent a letter to Ms. Catherine P. Bessant, the Chief Operations & Technology Officer of Bank of America. I have attached it here for your review as it further supports the efforts being made by this resolution and the Governor.

Attachment

December
~~November~~ 14, 2018

Catherine P. Bessant
Chief Operations and Technology Officer
Bank of America
100 North Tryon Street
Charlotte, NC 28255

Dear Ms. Bessant:

I am writing to you in support of Governor David Y. Ige's invitation to you to come to Hawai'i — as the Bank of America executive who recommitted to the \$150 million in FHA-247 loans in 1998 — to meet with Kehau Filimoe'atu of Nā Po'e Kōkua / Hawaii Fair Lending Coalition (NPK/HFLC) "in order to reach a fair and final settlement of Bank of America's outstanding \$150 million commitment to the Hawaiian people on their homelands."

As a Council Member-elect to the 2019 Maui County Council, which will be predominantly Native Hawaiian, I was very pleased that the current Maui County Council passed a Resolution on November 2nd strongly supporting Governor Ige's invitation, and specifically stating: *"in addition to providing the mortgages on Hawaiian Homelands as ordered by the Federal Reserve System that BofA must address the estimated \$360.6 million in lost opportunity costs for Native Hawaiians..."*

This issue is of particular importance to me, given my priorities regarding housing and economic opportunities for Native Hawaiians.

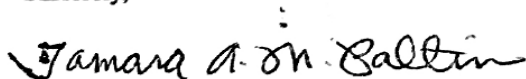
According to responsive information from HUD on all FHA-247 lending from 1994 onwards, Bank of America has originated just over \$13 million in FHA-247 loans since 1994, far short of the \$150 million ordered by federal banking regulators. During that time, hundreds of Hawaiian families have missed out on the opportunity to build equity, reap the benefits of a booming housing market, and to pay an affordable mortgage rather than skyrocketing rents over the last twenty years.

While I understand that Bank of America finally began communicating about a meeting with the Governor's office in October— I have not heard of any steps toward a sit-down between you and Kehau Filimoe'atu. Furthermore, this minimal response from BofA is taking place six months after Governor Ige sent you an invitation where he explicitly asked that the meeting be held by August 10, 2018, the date marking the 20-year anniversary of you making this re-commitment on behalf of Bank of America and agreeing to a late fee. I also understand that while Bank of America employees have responded to some sitting Council Members, others have been ignored. And though Council Members have requested follow up information, so far none has been provided.

While I await your reply and concrete steps by BofA, I will be working with my colleagues in January to review additional options for ensuring that BofA works with Nā Po'e Kōkua to reach a fair and final settlement that honors the commitments that Bank of America made to federal banking regulators for the benefit of the Hawaiian people.

In the meantime, I look forward to hearing any plans you have to respond to requests from leaders in our state.

Sincerely,



Tamara Paltin
Council Member-Elect

SCR-45

Submitted on: 3/20/2019 7:02:44 AM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Stephanie Austin	Individual	Support	No

Comments:

Please support this important measure, in the name of justice and fairness. Bank of American well afford to honor the commitment it made!

SCR-45

Submitted on: 3/20/2019 2:39:55 PM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Raul Nohea Goodness	Individual	Support	No

Comments:

SCR-45

Submitted on: 3/20/2019 5:10:40 PM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

SCR-45

Submitted on: 3/22/2019 3:09:41 PM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kamuela Werner MPH	Individual	Support	No

Comments:

Testimony in **STRONG SUPPORT** of Senate Resolution 32
and Senate Concurrent Resolution 45

COMMITTEE ON HAWAIIAN AFFAIRS

Senator Maile S. L. Shimabukuro, Chair

Senator Kaiali'i Kahele, Vice Chair

Thursday, March 28, 2019

1:15pm

Room 016

E ka Luna Ho'omalū Shimabukuro, ka Hope Luna Ho'omalū Kahele, a me nā Kuleana Hawai'i o kēia Kōmike, aloha!

My name is Carmen Hulu Lindsey, and I am a Trustee for the Office of Hawaiian Affairs for the island of Maui, testifying in my personal capacity. Mahalo for the chance to submit testimony in **STRONG SUPPORT** of SR32 and SCR45, which urges Bank of America to return to Hawai'i to meet with Nā Po'e Kōkua and the Hawai'i Fair Lending Coalition ("HFLC") to reach a settlement agreement relating to Bank of America's \$150 million loan commitment to Native Hawaiians on Hawaiian homelands, **twenty years overdue**. Bank of America has failed to fulfill its commitment to make \$150 million in Federal Housing Administration section 247 ("FHA 247") mortgages available on Hawaiian Home Lands. FHA 247 loans were specifically meant for low- and moderate-income Native Hawaiians to purchase homes on Hawaiian Home Lands.

In 1993, HFLC discovered that Bank of America was conducting discriminatory lending practices in the form of redlining. Redlining denied services to residents of certain areas based on racial or ethnic composition of those areas, by not providing mortgages on Hawaiian Home Lands. In May 1994, because of HFLC's efforts and as a condition of Bank of America's acquisition of Liberty Bank, the Federal Reserve System ordered Bank of America to make \$150 million in FHA 247 mortgages available on Hawaiian Home Lands by 1998.

In 1998, Bank of America recommitted to meet the \$150 million loan to Native Hawaiians and to pay a \$4.5 million late fee based on the opportunity cost of its failure to fulfill its required commitment. From the data provided by the U.S. Department of Housing and Urban Development ("HUD"), Bank of America originated only 106 residential mortgage loans since 1994 for a total of 13,092,314 and has made no FHA 247 loans since then. This is less than 10% of Bank of America's previous commitment.

In 2012, the Hawaiian Homes Commission simultaneously confirmed that Bank of America's commitment remained unfulfilled and expressed support for HFLC's consistent and ongoing efforts to hold Bank of America accountable. Today, when late fees are computed and lending amounts still due are calculated, loan obligations statewide total \$227.8 million in today's dollars statewide. HUD also calculated the lost opportunities for building equity, lost opportunities that would have come via the benefits of a booming housing market, and payment affordable mortgages rather than skyrocketing rents over the last twenty years for 890 Native Hawaiian families who should have received Bank of America mortgages and for families who received

loans up to 13 years after the deadline. Preliminary estimates for Bank of America's late fees are come out to approximately \$360.6 million.

In September 2018, I sent a letter to Cathy Bessant, Chief Operations and Technology Officer of Bank of America, in support of Governor Ige's invitation to Ms. Bessant urging her to return to Hawaii to meet with Nā Po'e Kōkua to reach a "fair and final settlement" of Bank of America's unfulfilled \$150 million commitment for the betterment of the Native Hawaiian people (See Appendix A: Lindsey Letter to Bessant).

On October 18, 2018, Andrew Plepler, Global Environmental, Social, and Governance Executive of Bank of America replied to my letter on behalf of Ms. Bessant, claiming that Bank of America had fulfilled the commitment and further claiming that Bank of America had "recently spent considerable time reviewing once again the history and records..." (See Appendix B: Plepler Letter to Lindsey)

On October 23, 2018, I wrote back to Mr. Plepler, noting that his claim that the \$150 million commitment had been fulfilled is contradicted by HUD records (See Appendix C: Lindsey Letter to Plepler).¹ I also explained to Mr. Plepler that I could not find Bank of America's review of the documents he referenced meaningful unless he made the documents available to me. I requested verification of his claims by October 31, 2018. Since then, I have received no further communication from Mr. Plepler or Ms. Bessant.

Hawai'i faces an intractable affordable housing crisis, including the challenges of homelessness. Unfortunately, Native Hawaiians represent a significant proportion of our state's houseless and underhoused populations, with 42% of 7,921 homeless individuals identifying as Native Hawaiian.²

Additionally, the State of Hawai'i formally assumes the duties of a trustee for Native Hawaiian homestead beneficiaries through its oversight of Hawaiian Home Lands. The State is held to the highest order toward Hawaiian Home Lands beneficiaries and is judged in according to the same strict standards as those set for a trustee for a private trust. The State's trust duties include (1) the obligation to administer the trust solely in the interest of the beneficiary, and (2) the use of reasonable skill and care to make trust property productive.³ In 2016, according to DHHL, approximately 8,000 households resided on the Hawaiian home lands, but nearly three times as many (22,000) were on the waiting list for a residential lease.⁴ Therefore, it is in Bank of America's interest to accept the State's invitation to ensure that the State is meeting its overall goal in allowing traditionally underserved Native Hawaiian communities to get loans.

¹ A letter written in May 2012 by former chair of the Department of Hawaiian Home Lands, Alapaki Nahalea contended that the correspondence produced in 2007, where a deputy chairman acknowledged fulfillment of the lending commitment, had been unauthorized. See Allan Parachini, *Hawaii Pushes Bank of America to Resolve Multimillion-Dollar Dispute*, HONOLULU CIVIL BEAT, (Mar. 21, 2019), <https://www.civilbeat.org/2019/03/hawaii-pushes-bank-of-america-to-resolve-multimillion-dollar-dispute/>.

² Kristen Corey, et al., *Housing Needs of Native Hawaiians*, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, (May 2017), <https://www.huduser.gov/portal/pdredge/pdr-edge-research-072417.html>.

³ *Ahuna v. Department of Hawaiian Home Lands*, 64 Haw. 327, 340, 640 P.2d 1161, 1169 (1982).

⁴ Corey, *supra* note 2.

I am gratified to see that the Hawai'i State Senate and Governor are coming together in holding Bank of America accountable to the people of Hawai'i. Given the lack of substantive communication from Bank of America, I strongly encourage Ms. Bessant to attend the Hawaiian Affairs Committee hearing and respond to questions that are being raised throughout Hawai'i about this unfulfilled commitment towards our Native Hawaiians and other underrepresented populations.

Sincerely,

Carmen Hulu Lindsey
Maui Trustee for the Office of Hawaiian Affairs

Appendix A: Lindsey Letter to Bessant September 27, 2018

PHONE (808) 594-1888



FAX (808) 594-1885

**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
711 KAPI'OLANI BOULEVARD, SUITE 500
HONOLULU, HAWAII 96813
560 N. Nimitz Hwy., Suite 200
Honolulu, Hawaii 96817**

September 27, 2018

Catherine P. Bessant
Chief Operations and Technology Officer
Bank of America
100 North Tryon Street
Charlotte, NC 28255

Dear Ms. Bessant:

I am writing to you in support of Governor David Y. Ige's invitation to you to come to Hawai'i to meet with Nā Po'e Kōkua (NPK) "in order to reach a fair and final settlement of Bank of America's outstanding \$150 million commitment to the Hawaiian people on their homelands."

In 1994, as a condition of Bank of America's acquisition of Liberty Bank, the Federal Reserve ordered BofA to provide \$150 million in FHA-247 mortgages -- loans on Hawaiian Home Lands -- within four years. Because Bank of America only provided \$3,109,502 by the deadline, BofA recommitted to meeting the \$150 million in FHA-247 loans and to pay a \$4.5 million late fee (in the form of support for a Native Hawaiian Bank) in 1998 based on the opportunity cost of its failure to fulfill its commitment.

I understand that you are the key executive who made that recommitment in person to our people and our kūpuna in 1998.

Sadly, the 20th anniversary of the deadline for this commitment has come and gone and hundreds of Hawaiian families have missed out on the opportunity to build equity, reap the benefits of a booming housing market, and to pay an affordable mortgage rather than skyrocketing rents over the last twenty years.

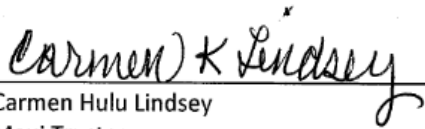
Along with the Governor and many others who are charged with the responsibility for serving the people in our community, I agree that it is time for you to sit down with Nā Po'e Kōkua and reach a fair and final settlement that honors the commitments that Bank of America made to federal banking regulators for the benefit of the Hawaiian people.

Carmen Hulu Lindsey, Maui Trustee, Office of Hawaiian Affairs
September 27, 2018
Page 2

I would also be interested in seeing any documentation that you have regarding FHA-247 loans originated by Bank of America since 1994.

I look forward to hearing your response.

Aloha,


Carmen Hulu Lindsey
Maui Trustee

Appendix B: Plepler Letter to Lindsey October 18, 2018



Mr. Andrew Plepler
Global Environmental, Social and Governance Executive
Bank of America
100 North Tryon Street
Charlotte, NC 28255

October 18, 2018

Trustee Carmen Hulu Lindsey
Maui Trustee
560 N. Nimitz Highway, Suite 200
Honolulu, Hawaii 96817

Dear Trustee Lindsey,

I am in receipt of your letter dated September 27, 2018, addressed to Catherine Bessant, a copy of which is attached.

This matter dates back to the 1990's and has a long history. Please know that in 2007, we received confirmation from the Department of Hawaiian Home Lands that we delivered \$150 million in community development activity in Hawaii. However, as result of several recent inquiries on this topic, and out of respect for those who have questioned this activity, we have recently spent considerable time reviewing once again the history and records related to our community development lending and investments.

As part of this recent review, we have examined reports and spreadsheets documenting our progress. We have also reviewed records and correspondence dating back to 1998, including correspondence with the Hawaiian Homes Commission and the Department of Hawaiian Home Lands. Please know that we do understand there were challenges along the way, but through collaboration with the community and with Department of Hawaiian Home Lands, we were able to exceed \$150 million in community development lending and investment.

We responded in writing to Governor Ige's letter on May 18, 2018. At the Governor's suggestion, we have spoken with Mr. Billy Oku Jr. in his office and plan to set a meeting with the Governor's office and with community leaders. In the meantime, if you would like further detail on the findings from the review we conducted or on our activities, we would be happy to discuss and can schedule a phone call.

I can be reached at Andrew.Plepler@bankofamerica.com or 980.386.9127.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrew Plepler'.

Andrew Plepler

Appendix C: Lindsey Letter to Plepler October 23, 2018

PHONE (808) 594-1888



FAX (808) 594-1885

STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
560 N. NIMITZ HWY., SUITE 200
HONOLULU, HAWAII 96817

October 23, 2018

Dear Mr. Plepler:

Thank you for your letter of October 18, 2018. I am aware of the long history related to the four year "commitment of \$150 million to the FHA 247 loan program" that Bank of America made to federal banking regulators in 1994. I appreciate that you have reviewed spreadsheets, records, and correspondence. However, I ask that you respect that as a trustee for the Office of Hawaiian Affairs, I cannot find your review of these documents meaningful unless you make the documents to which you refer available to me. Since you offered further detail on the findings from the review Bank of America conducted, I respectfully ask that you provide me with copies of the reports and spreadsheets that you refer to in your letter by October 31, 2018.

In addition, I am unclear as to why your letter ignores the fact that the so called "confirmation" letter that Bank of America received in 2007 was "signed off" on without the approval of the Hawaiian Homes Commission. This fact was made very clear in a letter from then-Hawaiian Homes Commission Chair Alapaki Nahale-a to Kehau Filimoe'atu, which Governor Ige included in his April letter to Cathy Bessant.

Additionally, according to responsive information from HUD on all FHA-247 lending from 1994 onwards, Bank of America has originated just over \$13 million in FHA-247 loans since 1994, far short of the \$150 million ordered by federal banking regulators. On October 9, 2018, Kehau Filimoe'atu provided Bank of America CEO Brian Moynihan with a copy of HUD's documentation of historical FHA-247 lending. If you have documentation of additional FHA-247 loans that HUD is unaware of, please email those documents to me immediately.

In your letter, you also state that you plan to set a meeting with the Governor's office and community leaders. I understand that Bank of America did not communicate with the Governor's office about a meeting until this month — six months after he sent an invitation to Ms. Bessant, explicitly asking that the meeting be held by August 10, the date marking the 20th anniversary of Ms. Bessant making the \$150 million commitment to Native Hawaiians on behalf of Bank of America. Furthermore, Governor Ige specifically asked that Ms. Bessant meet with Kehau Filimoe'atu, President of NPK. Ms. Bessant personally re-committed to the \$150 million in FHA-247 loans to Nā Po'e Kōkua and our kūpuna in 1998.

I look forward to hearing when this meeting has been scheduled.

October 23, 2018
Letter to Mr. Plepler
Page 2

I am among the many members of our community who are wondering why it has taken six months for Bank of America to respond to our Governor with a meeting date – after 24 years of avoidance of this vital obligation to native Hawaiians in our state.

Sincerely,

A handwritten signature in black ink that reads "Carmen Hulu Lindsay". The script is cursive and fluid, with the first name "Carmen" being the most prominent.

Carmen Hulu Lindsay
Maui Trustee

SCR-45

Submitted on: 3/23/2019 10:43:31 PM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Saturnino Pimentel	Individual	Support	No

Comments:

Thank you to the Hawaiian Affairs Committee for hearing SCR 45 and SR 32. I strongly support these Resolutions and all efforts to hold Bank of America accountable.

It is past time for Bank of America to fulfill its \$150 Million commitment to Native Hawaiians, which is now twenty years overdue and totals at least \$227.8 million in 2018 dollars.

In addition to providing the mortgages on Hawaiian Homelands as ordered by the Federal Reserve, we demand that Bank of America address the minimum \$360.6 million in lost opportunity costs for:

- 890 Native Hawaiian families who were not able to purchase homes and build equity during the twenty years since 1998, and further paid over \$147 million in additional rental costs,
- as well as those families who did receive mortgages but also experienced lost opportunity costs for up to 13 years after the Federal Reserve due date.

We further insist that Bank of America fulfill its \$30 million commitment for mortgages on Kauai for 150 residents, the cost of which now is \$81.5 million, as well as \$72.7 million in lost opportunity costs.

We therefore support NPK/HFLC and its efforts to reach a fair and final settlement with Bank of America and we strongly urge Cathy Bessant, who re-committed in-person in 1998 to BofA providing \$150 million in FHA-247 loans, to come to Hawaii to meet with NPK/HFLC, as invited by Hawaii's Governor Ige.

Once again, thank you for these Resolutions, which recognize that the rule of law should be applied to all and that corporate failure doesn't extinguish a legal obligation.



UNIVERSITY of HAWAII®
MAUI COLLEGE

Humanities – Hawaiian Studies
310 West Kaʻahumanu Avenue
Kahului, HI 96732

25 March 2019

Welina, e ka mea heluhelu ē,

I am Kīʻope Raymond, Professor of Hawaiian Studies at UHMC, submitting testimony on SCR 45:

SUPPORTING THE GOVERNOR'S EFFORTS IN URGING THE BANK OF AMERICA TO RETURN TO HAWAII TO MEET WITH NA POʻE KOKUA AND THE HAWAII FAIR LENDING COALITION TO REACH A SETTLEMENT AGREEMENT RELATING TO A \$150,000,000 LOAN COMMITMENT FOR NATIVE HAWAIIANS ON HAWAIIAN HOME LANDS.

It is my intent to inform you 1) of my thoughts while doing the the translations from Hawaiian to English of recordings from April 23, 1994 of Kahilihiwa Kipapa and Thomas Maunupau; and 2) my thoughts on the appropriatness of SCR 45 in that context.

In addition to my teaching duties, I am a Court Interpreter in Hawaiian language, certified by the State of Hawaiʻi Office on Equity and Access to the Courts. I, gratis, provide verbal and written translation expertise to the community. Ms. Shay Chan-Hodges approached me with a request to do the translation of the recordings referenced above, related to the sad history of the BoA dealings with Hawaiians.

When Ms. Kipapa and Mr. Maunupau were speaking in Hawaiian it was unquestionable, to my mind, after listening to their testimony that they were filled with dignity and solemnity. And yet too, they were filled with pathos and angst regarding the actions of those who have impacted their lives. They were so distraught over what might happen to them and their descendants if they were denied relief, I was filled with compassion for their plight. I believe we all, and especially our political leadership, should be compassionate too; supportive of the effort to force the Bank of America to return to Hawaiʻi, meet with Nā Poʻe Kōkua and the Hawaiʻi Fair Lending Coalition, and to reach a settlement in the matter.

Me ka mahalo, me ke aloha,

Kīʻope

808-984-3244 (office)

SCR-45

Submitted on: 3/25/2019 4:26:20 PM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sandee Moniz Ps	Individual	Support	No

Comments:

#holdingbankofamericaaccountable

SCR-45

Submitted on: 3/25/2019 5:08:37 PM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Scott Crawford	Individual	Support	No

Comments:

Hold Bank of America accountable for its commitment and lost opportunity cost of 20+ years of delay!



Brandon Maka'awa'awa
Deputy Head of State, Nation of Hawai'i
Board Member, Nā Po'e Kōkua
Email: bird.bran07@gmail.com

March 26, 2019

Committee on Hawaiian Affairs
Senator Maile S.L. Shimabukuro, Chair
Senator Kaiali'i Kahele, Vice Chair

Hearing: Thursday, March 28, 2019, 1:15 p.m.

Testimony in **Strong Support** of SCR 45 and SR 32

My name is Brandon Maka'awa'awa and I am testifying today in ***strong support*** of SCR 45 and SR 32. I am Deputy Head of State for Nation of Hawai'i and a Board Member of Nā Po'e Kōkua, the entity that has been working to finalize the settlement with Bank of America regarding its unfulfilled commitment to provide \$150 million in FHA247 loans to Hawaiian Homestead lessees. Passing this resolution is a positive first step in holding Bank of America accountable for not fulfilling their commitment to help the Hawaiian people access affordable home loans for the past 25 years. This resolution is an affirmative commitment by the State of Hawai'i to assist us in our 25-year fight for justice and affordable housing solutions for Hawaiians.

Banks, especially big banks like Bank of America, must be held accountable when they fail to fulfill their commitments, in the same way that banks and other financial institutions hold people accountable for their debts.

Banks are not above the law. If citizens must follow the law, then banks must follow the law as well. More importantly, when banks break the law, they must provide restitution to the people they hurt. Bank of America hurt Hawaiian home loan seekers and this \$150 million commitment was the restitution that Bank of America agreed to. However, Bank of America has failed to hold up their end of the agreement. For the past 25 years, Nation of Hawai'i, Hawai'i Fair Lending Coalition, and our allies, have continuously reminded Bank of America of its unfulfilled commitment to the Hawaiian people.

We ask the Hawai'i state legislature to join us in our undeterred, 25-year quest for justice and accountability from Bank of America. Governor Ige is the first Hawai'i Governor to

affirmatively support us in our fight for justice and we ask the Hawai'i state legislature to follow suit.

For the past 25 years, Hawaiians living in the State of Hawai'i have lost out on the benefits of a much-needed home loan program, in a state where real estate and land values are astronomical. Bank of America failed to issue the mandated \$150 million in FHA247 loans, which were specifically created by the federal government for the benefit of Hawaiians on the DHHL wait list. By not fulfilling this \$150 million commitment, Bank of America prevented 890 Hawaiian Homestead lessees from accessing home loans and building equity. Moreover, the provision of these loans in the mid-1990's would have created a social and economic boon for the Hawaiian community and the State of Hawai'i.

In 1998, four years after Bank of America's original commitment in 1994 had not yet been achieved, Cathy Bessant, currently Bank of America's Chief Operations and Technology Officer, *personally and in her official capacity*, recommitted to settling this unfulfilled commitment in a meeting with kūpuna and stakeholders at Iolani Palace. Governor Ige, with the support of the Hawai'i state legislature, can put pressure on Bank of America and Ms. Bessant to fulfill their \$150 million commitment and stop the injustice that has been perpetrated against State of Hawai'i residents for the past 25 years. This governmental support will add tremendously to the tireless work of community activists.

By not following through with its commitment, Bank of America and any other parties that have been an obstacle to the \$150 million settlement, have subjected the Hawaiian people to "conditions of life that are intended to cause the physical destruction of the group in whole or in part," as described in the Genocide Act, U.S. Public Law 100-606.

Pass this resolution and help move forward a process that will improve the dire socioeconomic conditions of the Hawaiian people.

If my words do not move you, look around this room, look at your family, look at your friends, look at your colleagues, even look at strangers on the street. Among them are Hawaiians who have been prevented from accessing affordable home loans to assist in their important and essential journey towards homeownership. Be part of the solution that helps address this outstanding injustice for all of Hawai'i, but most especially, for the Hawaiian people, the first people of this land, who continue to occupy the worst socioeconomic indicators and will be assisted greatly by increased access to affordable home loans. A better future for Hawaiians depends on your support of this resolution. We hope you side with the Hawaiian people and justice today. Mahalo for your time and consideration.

Aloha,

A handwritten signature in black ink, appearing to read "Brandon Maka'awa'awa". The signature is fluid and cursive, with the first name "Brandon" being more legible than the last name.

Brandon Maka'awa'awa
Deputy Head of State, Nation of Hawai'i
Board Member, Nā Po'e Kōkua

SCR-45

Submitted on: 3/26/2019 6:36:27 AM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joanna Maile Pokipala	Individual	Support	No

Comments:

Holding Bank of America Responsible

Thank you to the Hawaiian Affairs Committee for hearing SCR 45 and SR 32. I strongly support these Resolutions and all efforts to hold Bank of America accountable.

It is past time for Bank of America to fulfill its \$150 Million commitment to Native Hawaiians, which is now twenty years overdue and totals at least \$227.8 million in 2018 dollars.

In addition to providing the mortgages on Hawaiian Homelands as ordered by the Federal Reserve, we demand that Bank of America address the minimum \$360.6 million in lost opportunity costs for:

- 890 Native Hawaiian families who were not able to purchase homes and build equity during the twenty years since 1998, and further paid over \$147 million in additional rental costs,
- as well as those families who did receive mortgages but also experienced lost opportunity costs for up to 13 years after the Federal Reserve due date.

We further insist that Bank of America fulfill its \$30 million commitment for mortgages on Kauai for 150 residents, the cost of which now is \$81.5 million, as well as \$72.7 million in lost opportunity costs.

We therefore support NPK/HFLC and its efforts to reach a fair and final settlement with Bank of America and we strongly urge Cathy Bessant, who re-committed in-person in 1998 to BofA providing \$150 million in FHA-247 loans, to come to Hawaii to meet with NPK/HFLC, as invited by Hawaii's Governor Ige.

Once again, thank you for these Resolutions, which recognize that the rule of law should be applied to all and that corporate failure doesn't extinguish a legal obligation.

SCR-45

Submitted on: 3/27/2019 12:04:08 PM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
CarolAnn Barrows	Individual	Support	No

Comments:

Aloha ~

By Bank of America not following through with it's commitment they have not only set our community back for generations which created more housless Hawaiians and added directly to the state's Housless Epidemic but they also subjected our people to the crime of Genocide according to US law.

"By not following through with its commitment, Bank of America and any other parties that have been an obstacle to the \$150 million settlement, have subjected the Hawaiian people to conditions of life that are intended to cause the physical destruction of the group in whole or in part," as described in the Genocide Act, U.S. Public Law 100-606

It is way past time for the State of Hawai'i to do what is pono for our Kanaka Maoli.

Mahalo,

CarolAnn Barrows

**Testimony in support of Senate Resolution 32
and Senate Concurrent Resolution 45**

SUPPORTING THE GOVERNOR'S EFFORTS IN URGING THE BANK OF AMERICA TO
RETURN TO HAWAII TO MEET WITH NA PO'E KOKUA AND THE HAWAII FAIR
LENDING COALITION TO REACH A SETTLEMENT AGREEMENT RELATING TO A
\$150,000,000 LOAN COMMITMENT FOR NATIVE HAWAIIANS ON HAWAIIAN HOME
LANDS.

COMMITTEE ON HAWAIIAN AFFAIRS
Senator Maile S.L. Shimabukuro, Chair
Senator Kaiali'i Kahele, Vice Chair

Hearing Date
Thursday, March 28, 2019
1:15pm in Room 016

Aloha Chair Shimabukuro and Vice Chair Kahele and members of the Hawaiian Affairs Committee:

Thank you for hearing **SR 32 and SCR 45** supporting Governor David Y. Ige's invitation to Cathy Bessant to come to Hawai'i — as the Bank of America executive who recommitted to \$150 million in FHA-247 loans in 1998 — to meet with Kehau Filimoe`atu of Nā Po'e Kōkua / Hawaii Fair Lending Coalition (NPK/HFLC) "in order to reach a fair and final settlement of Bank of America's outstanding \$150 million commitment to the Hawaiian people on their homelands."

I strongly support these resolutions.

In May 1994, as a condition of its approval of Bank of America's acquisition of Liberty Bank in Hawaii, the Federal Reserve ordered Bank of America to make \$150 million in **FHA-247 insured mortgages** on Hawaiian Home Lands by 1998.

I am attaching two documents that make the commitment clear. The first is pages 1, 5 and 6 from a **ten-page letter to the Federal Reserve from Bank of America Senior Counsel Patrick S. Antrim responding to the Federal Reserve's questions** on a conference call on May 13, 1994. The letter lists the following Federal Reserve question and Bank of America's response:

Question #4: Describe any special efforts in Hawaii to lend to Native Hawaiians and Filipinos, including product development, marketing, special staffing, cooperative efforts with specialized community organizations and government agencies, etc.

Answer: "Development of lots by DHHL will go hand-in-hand with Bank of America Hawaii's **commitment of \$150 million to the FHA 247 loan program.** See

Attachment o. FHA 247 is only open to Native Hawaiian beneficiaries of the Hawaiian Home Lands trust. This is the largest commitment ever made to the program in Hawaii.”

The second document is **pages 623 and 628 of the Complete Federal Reserve Bulletin, July 1994, dated May 31, 1994.** The Federal Reserve Order states:

“The program includes a four-year commitment to provide \$150 million in residential mortgage loans for native Hawaiians seeking housing on Department of Hawaiian Home Lands.”

I am also attaching responsive documents and data that was sent to me from the **US Department of Housing and Urban Development on August 20, 2018** in response to a Freedom of Information Act request that I submitted. Included in the correspondence is “the total number of Federal Housing Administration -247 (FHA-247) mortgage loans originated annually from 1994 to 2018.)” I have attached the first two pages of the report, which show that Bank of America did not originate a single loan during the first two years of the 4-year commitment period, and originated just \$3 million by the 1998 deadline -- **\$147 million less** than ordered.

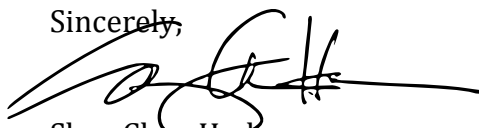
In order to facilitate understanding of the report, I am attaching a spreadsheet that shows the total number of loans originated by Bank of America FSB, Bank of America NA, and Bank of America Charlotte for the 24-year period between 1994 and 1998.

As the spreadsheet shows, Bank of America originated just over \$13 million in FHA-247 loans since 1994.

I understand that beginning in March 2007, Bank of America executives have repeatedly claimed that they have fulfilled the \$150 million commitment. The attached documents clearly demonstrate that these assertions have no basis in reality.

Thank you so much to the Hawaii State Senate for joining with the Governor and other leaders and citizens throughout our state to ensure that Bank of America is held accountable to the law and the Hawaiian people.

Sincerely,



Shay Chan Hodges



Bank of America

CONFIDENTIAL

Patrick S. Antrim
Senior Counsel

Legal Department North 3017

May 16, 1994

Mr. Surjeet Sidhu
Senior Financial Analyst
Board of Governors of the
Federal Reserve System
20th & C Sts., NW
Washington, DC 20515

Dear Mr. Sidhu:

This letter responds to questions presented to us during our conference call on Friday, May 13, 1994. The questions are presented below in bold type, followed by our response.

- 1(a) Provide 1993 announced Community Reinvestment Act ("CRA") goals and results for BankAmerica Corporation ("BAC"), Bank of America NT&SA ("NT&SA"), and Bank of America, FSB ("FSB").

Attachment A contains information concerning 1993 CRA goals and results.

- (b) Provide 1994 CRA goals and results year-to-date for BAC, NT&SA, and FSB.

Attachment B contains information concerning 1994 CRA goals and year-to-date results.

2. In the application to acquire Liberty Bank and responses to the subsequent protest procedures, FSB referred to specific loan products including Neighborhood Advantage, ABC, B*A*S*I*C, and consumer and small business lending programs. Provide for each program sponsored by Bank of America Hawaii the number of loans and the dollar amount (year-to-date) made in low-to-moderate income census tracts (i.e., those with

Mr. Surjeet Sidhu
May 16, 1994
Page 5

As described previously, our Community Development Division office is providing a new source of financing for Hawaii's affordable housing market. However, it must be recognized that Hawaii's "affordable" housing problem is not a problem of credit when the basic cost of a single family home is over \$355,000 for the City and County of Honolulu (i.e., the island of Oahu), which holds 80% of the population for the state. Sixty one percent (61%) of land owned in the state is held by government or six large landed estates. Less than 5% of Hawaii's 4.1 million acres of land is zoned Urban or Rural, where most housing development can take place (See Attachment L, State of Hawaii Data Book. 1992).

Further evidence of this is provided in Attachment M, which is extracted from a study conducted by a group of public and private sector organizations--including the State of Hawaii and counties. Notice that none of the policy recommendations address lack of credit as a key component to mitigating the basic problems facing housing in Hawaii.

4. Describe any special efforts in Hawaii to lend to Native Hawaiians and Filipinos, including product development, marketing, special staffing, cooperative efforts with specialized community organizations and government agencies, etc.

Attachment N provides evidence of Bank of America Hawaii's efforts to assist the Department of Hawaiian Home Lands (DHHL) and native Hawaiians to link up with Federal Government resources. These resources, coming from the Rural Electrification Administration ("REA"), would be used to develop crucial infrastructure necessary for the DHHL to meet its trust obligations to Native Hawaiians. Bank of America Hawaii has taken a leadership role in this area utilizing the expertise of its CRA Officer who served as Administrator for the REA, as well as Deputy Under Secretary for Agriculture for Small Community and Rural Development. No other financial institution in Hawaii has assisted DHHL in this way.

Development of lots by DHHL will go hand-in-hand with Bank of America Hawaii's commitment of \$150 million to the FHA 247 loan program. See Attachment O. FHA 247 is only open to Native Hawaiian beneficiaries of the

Mr. Surjeet Sidhu
May 16, 1994
Page 6

Hawaiian Home Lands trust. This is the largest commitment ever made to the program in Hawaii.

We are currently discussing the needs of twenty-two DHHL lessees on the "Kawaihae-Makai" site on the island of Hawaii. Discussions have taken place, the latest being in a meeting on Hawaii on May 12, 1994, with JoJo Tanimoto, president of the Kawaihae Homesteaders Association.

Bank of America Hawaii, through its CRA Officer, has also communicated with the State Department of Business Economic Development and Tourism ("DBEDT") in discussing creation of a special small business loan program for Kauai. In addition, Bank of America Hawaii is working with the DBEDT, the Office of Hawaiian Affairs, and the Hawaii Alliance for Community Based Economic Development to investigate the capitalization possibilities for a Community Development Financial Institution. (See Attachment P.)

Attachment O also highlights Bank of America Hawaii's grant program to encourage non-profit affordable housing capacity building for the Filipino community.

We also envision that our employment of "community lending specialists", as outlined in Attachment O, working specifically with the Hawaiian and Filipino communities will serve as an effective supplemental enhancement of marketing our programs and products to members of these groups.

Bank of America Hawaii also has bi-lingual Filipino and Chinese loan officers and branch managers on staff. And we also have numerous branch managers and loan officers of Hawaiian ancestry.

Currently, we are also working with Self-Help Corporation of Hawaii in providing home buyers education to Native Hawaiians. See Attachment P. Bank of America Hawaii took the lead in underwriting the cost of putting on the classes (\$10,000 grant), targeted to Native Hawaiians with Department of Hawaiian Home Land leases.

Bank of America Hawaii, as a committed member of the Nanakuli and Waianae communities, also has embarked on a partnership with the Nanakuli Neighborhood Housing

Legal Developments

FINAL RULE—AMENDMENT TO REGULATION H

The Board of Governors is amending 12 C.F.R. Part 208, its Regulation H (Membership of State Banking Institutions in the Federal Reserve System), to allow a state member bank that meets certain conditions to invest in its premises in an amount up to 50 percent of its Tier 1 capital without obtaining specific approval. The Board believes that a general approval for a state member bank to invest an amount not exceeding 50 percent of its Tier 1 capital is appropriate for a bank that meets those conditions. This action will significantly reduce the number of applications to invest in bank premises that are filed with the Board and will thereby reduce regulatory burden.

Effective June 30, 1994, 12 C.F.R. Part 208 is amended as follows:

Part 208—Membership of State Banking Institutions in the Federal Reserve System (Regulation H)

1. The authority citation for part 208 continues to read as follows:

Authority: 12 U.S.C. 36, 248(a), 248(c), 321–338a, 371d, 461, 481–486, 601, 611, 1814, 1823(j), 1828(o), 1831o, 1831p-1, 3105, 3310, 3331–3351, and 3906-3909; 15 U.S.C. 1(b), 1(g), 1(i), 78b, 78o-4(c)(5), 78q, 78q-1, and 78w; 31 U.S.C. 5318.

2. Section 208.22 is added to subpart A to read as follows:

Section 208.22—Investment in bank premises.

(a) Under Section 24A of the Federal Reserve Act, state member bank investments in bank premises or in the stock, bonds, debentures, or other such obligations of any corporation holding the premises of the bank, and loans on the security of the stock of such corporation, do not require the approval of the Board if the aggregate of all such investments and loans, together with the indebtedness incurred by any such corporation that is an affiliate of the bank (as defined in section 2 of the Banking Act of 1933, as amended, 12 U.S.C. 221a):

- (1) Does not exceed the capital stock account of the bank; or
- (2) Does not exceed 50 percent of the bank's Tier 1 capital and the bank:
 - (i) Is well capitalized as defined in section 208.33(b)(1) of this part;
 - (ii) Received a composite CAMEL rating of "1" or "2" as of its most recent examination by the relevant Federal Reserve Bank or state regulatory authority; and
 - (iii) Is not subject to any written agreement, cease and desist order, capital directive, or prompt corrective action directive issued by the Board or a Federal Reserve Bank.

ORDERS ISSUED UNDER BANK HOLDING COMPANY ACT

Orders Issued Under Section 3 of the Bank Holding Company Act

BankAmerica Corporation
San Francisco, California

Order Approving Acquisition of a Bank

BankAmerica Corporation, San Francisco, California ("BankAmerica"), a bank holding company within the meaning of the Bank Holding Company Act ("BHC Act"), has applied under section 3 of the BHC Act (12 U.S.C. § 1842) to acquire Liberty Bank, Honolulu, Hawaii ("Liberty"), through a merger of Liberty into Bank of America, FSB, Portland, Oregon ("Bank of America FSB"), a wholly owned subsidiary of BankAmerica, with Bank of America FSB surviving the merger.

Notice of the application, affording interested persons an opportunity to submit comments, has been published (58 *Federal Register* 67,411 (1993)). The time for filing comments has expired, and the Board has considered all comments received in light of the factors set forth in section 3(c) of the BHC Act.

Bank of America FSB recently announced a comprehensive program to enhance service to the native Hawaiian and Filipino communities. The program includes a four-year commitment to provide \$150 million in residential mortgage loans for native Hawaiians seeking housing on Department of Hawaiian Home Lands. The bank also has appointed two community lending specialists to develop and implement outreach programs for the Hawaiian and Filipino communities, and has committed \$100,000 over three years for use by nonprofit organizations that provide affordable housing for Filipinos. In a separate program, the bank, through its community development division, has committed \$30 million over the next two years to Kauai County's efforts to build affordable housing in Kauai in the aftermath of Hurricane Iniki.²⁹

In September 1993, Bank of America FSB launched its new business banking initiative, which focuses on lending to small businesses. In connection with this initiative, the bank established its Advantage Business Credit program which provides loans to small businesses in the amount of \$2,500 to \$100,000. In addition, the bank has committed \$650,000 to a new Hawaii Small Business Loan Program, which will provide loans guaranteed by the Small Business Administration (the "SBA").

In 1992, BankAmerica established corporate-wide CRA-related goals, committing to provide \$12 billion over a ten-year period for housing loans in low- and moderate-income census tracts and for lower-income and minority borrowers, funding for the development and long-term financing of low-income housing, consumer loans for lower-income households, and government-guaranteed and conventional small business loans.³⁰ Bank of America FSB booked loans totalling approximately \$11 million as of September 30, 1993, representing 92 percent of its \$12 million 1993 goal under this corporate-wide initiative. The bank plans to double that goal in 1994.

Other Aspects of CRA Performance. The OTS found that Bank of America FSB's efforts to ascertain community credit needs generally have been successful considering the limited time that the bank has been in the Hawaiian market. The bank's CRA officer communicates with a variety of community-based and non-profit organizations, business organizations, and state governmental entities. Bank of America FSB has a formal call program in place, and its employees serve on the boards of organizations involved in the development of affordable housing in Hawaii. The bank has

established an advisory board to inform its board of directors about local credit needs. This advisory board is composed of residents who are involved in local business, government and/or community activities.

Bank of America FSB has sponsored credit-education fairs with the International Credit Association, and "Better Home Shows" that include information on new affordable housing projects sponsored by the State of Hawaii. The bank also co-sponsored two events in 1993 relating to community-based and small business lending. These events were targeted to the native Hawaiian community.³¹

C. Record of Performance of Bank of America - California

The Board has carefully reviewed the 1992 and preliminary 1993 data filed by Bank of America - California under HMDA in light of the California Protestant's allegations that the bank does not lend to minorities, particularly Hispanics, and low- and moderate-income individuals in five counties in California.³² These data show that Bank of America - California does make loans to minorities and to residents of low- and moderate-income areas of San Joaquin, Stanislaus and Merced Counties.³³ In addition, the bank's originations to African-Americans and Hispanics and low- and moderate-income census tracts, as a percentage of total originations, met or exceeded the performance of its peers in 1992. Furthermore, Bank of America

31. The Hawaii Protestants have alleged that the outreach efforts of Liberty are targeted primarily to nonminorities. The FDIC's most recent CRA performance evaluation of Liberty found that diverse ethnic groups were targeted by advertisements in local media in various languages, including Chinese, Japanese, Korean, Tagalog and Vietnamese. The FDIC also found that the bank demonstrated a strong record of helping to meet the credit needs of its entire community, and that mapping of loan activity indicated a reasonable penetration of all segments of the bank's community, including low- and moderate-income neighborhoods.

32. The California Protestant specifically alleges that Bank of America - California

(1) has "redlined" Hispanic individuals and businesses in Stanislaus, Merced, Madera, Tuolumne and San Joaquin counties (the "Target Counties");

(2) has closed branches in downtown areas of the Target Counties that were accessible to minorities, particularly Hispanics;

(3) has not provided sufficient marketing to the Hispanic community; and

(4) has not provided sufficient assistance or other support to individuals and organizations working with the Hispanic community.

33. For example, the bank made 35 mortgage loans to African-Americans and 227 mortgage loans to Hispanics in these three counties in 1992, and made 45 and 236 mortgage loans to African-Americans and Hispanics, respectively in these counties in 1993. Furthermore, in 1992 and 1993, the bank made 275 and 288 HMDA-related loans to low- and moderate-income census tracts in San Joaquin, Stanislaus and Merced Counties.

Madera and Tuolumne counties are located outside metropolitan statistical areas and, therefore, loans made to individuals in these counties are not separately reported under HMDA.

29. Loans under this program will be offered at below market rates to projects serving low- and very-low-income families.

30. BankAmerica has allocated \$8 billion of this commitment to California, and \$4 billion to all other states.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-0001

OFFICE OF ADMINISTRATION

AUG 20 2018

Ms. Shay Chan Hodges
37 Puu Koa Place
Haiku, HI 96708

RE: Freedom of Information Act Request
FOIA Control No: 18-FI-HQ-01920

Dear Ms. Chan Hodges:

This letter is in response to your request dated and received on July 19, 2018, pursuant to the Freedom of Information Act (FOIA). You requested a list of the total number of Federal Housing Administration-247 (FHA-247) mortgage loans originated annually from 1994 to 2018 (or the most recent year recorded). You also requested breakdowns of the number of mortgages by lender for each of the 24 years, as well as the total dollar amount of FHA-247 mortgages per year per lender.

Your request is granted in full. Enclosed is a list, from 1994 through June 30, 2018, that contains the mortgage loan information that you requested.

For your information, your FOIA request, including your identity and any information made available, is releasable to the public under subsequent FOIA requests. In responding to these requests, the Department does not release personal information, such as home address, telephone number, or Social Security number, all of which are protected from disclosure under FOIA Exemption 6.

If you have any questions regarding this request, please contact Howard Rosenberg at (202) 402-5507. Thank you for your interest in the Department's policies and programs.

Sincerely,

A handwritten signature in black ink that reads "Deborah R. Snowden".

Deborah R. Snowden
Deputy Chief FOIA Officer
Office of the Executive Secretariat

Enclosures

	A	B	C	D
1	FY Endorsed	Lender	Loans	Orig Mtge Amt
2				
3	1994	AMERICAN SAVINGS MORTGAGE CO INC	4	\$408,245
4	1994	FHB MORTGAGE CO INC	1	\$40,960
5	1994	GUILD MORTGAGE COMPANY	28	\$2,314,301
6	1994	HMC FINANCIAL INC	2	\$155,388
7	1994	REALTY MORTGAGE CORP	14	\$943,858
8	1994	SOUTH PACIFIC MORTGAGE CORP	14	\$1,112,211
9	1994	U S BANCORP MORTGAGE COMPANY	2	\$223,169
10	1994	WESTERN PACIFIC MORTGAGE INC	1	\$70,843
11	TOTAL 1994		66	\$5,268,975
12				
13	1995	AMERICAN SAVINGS MORTGAGE CO INC	2	\$137,794
14	1995	FHB MORTGAGE CO INC	1	\$109,000
15	1995	GUILD MORTGAGE COMPANY	7	\$576,201
16	1995	HAWAII INTERNATIONAL MTG INC	11	\$1,140,115
17	1995	HMC FINANCIAL INC	8	\$820,201
18	1995	HOMESTREET BANK	37	\$3,731,725
19	1995	LOANS INC	2	\$121,350
20	1995	MORTGAGE RESOURCES INC	5	\$462,086
21	1995	REALTY MORTGAGE CORP	18	\$1,549,273
22	1995	U.S. FINANCIAL MORTGAGE CORPORATION	5	\$261,928
23	1995	WASHINGTON MUTUAL BANK FA NAMC	7	\$668,937
24	1995	WESTERN PACIFIC MORTGAGE INC	2	\$119,834
25	TOTAL 1995		105	\$9,698,444
26				
27	1996	ADVANTAGE MORTGAGE INC	1	\$198,000
28	1996	AMERICAN SAVINGS MORTGAGE CO INC	5	\$466,144
29	1996	BANK OF AMERICA FSB	9	\$1,051,117
30	1996	FHB MORTGAGE CO INC	1	\$92,600
31	1996	FINANCE FACTORS LTD	7	\$856,341
32	1996	FIRST HAWAIIAN BANK	4	\$409,802
33	1996	GUILD MORTGAGE COMPANY	1	\$79,966
34	1996	HAWAII INTERNATIONAL MTG INC	5	\$472,671
35	1996	HMC FINANCIAL INC	204	\$25,458,041
36	1996	HOMESTREET BANK	8	\$874,373
37	1996	ISLAND COMMUNITY LENDING CORPORATION	2	\$238,549
38	1996	LOANS INC	2	\$170,464
39	1996	MORTGAGE RESOURCES INC	7	\$676,003
40	1996	SN AND ASSOCIATES INC	5	\$451,736
41	1996	SOUTH PACIFIC MORTGAGE CORP	9	\$1,101,003
42	1996	U.S. FINANCIAL MORTGAGE CORPORATION	26	\$2,067,140
43	1996	WASHINGTON MUTUAL BANK FA NAMC	10	\$906,950
44	1996	WELLS FARGO-NORWEST-DIRECTORS MTG LN	2	\$237,047
45	1996	WESTERN PACIFIC MORTGAGE INC	3	\$275,873
46	TOTAL 1996		311	\$36,083,820

	A	B	C	D
1	FY Endorsed	Lender	Loans	Orig Mtge Amt
47				
48	1997	AMERICAN SAVINGS MORTGAGE CO INC	14	\$1,634,407
49	1997	BANK OF AMERICA FSB	4	\$570,275
50	1997	BANK OF AMERICA NA	2	\$247,728
51	1997	BANK OF HAWAII	7	\$836,502
52	1997	FINANCE FACTORS LTD	4	\$501,010
53	1997	FIRST HAWAIIAN BANK	4	\$504,954
54	1997	GUILD MORTGAGE COMPANY	1	\$107,767
55	1997	HMC FINANCIAL INC	7	\$751,020
56	1997	HOMESTREET BANK	59	\$6,448,119
57	1997	IRWIN MORTGAGE CORPORATION	1	\$157,827
58	1997	ISLAND COMMUNITY LENDING CORPORATION	10	\$866,843
59	1997	LEGACY MORTGAGE	2	\$261,950
60	1997	MORTGAGE RESOURCES INC	1	\$67,573
61	1997	PREFERRED FINANCIAL FUNDING IN	1	\$70,931
62	1997	SN AND ASSOCIATES INC	1	\$87,814
63	1997	SOUTH PACIFIC MORTGAGE CORP	8	\$943,175
64	1997	U.S. FINANCIAL MORTGAGE CORPORATION	58	\$4,886,062
65	1997	WASHINGTON MUTUAL BANK FA NAMC	26	\$2,678,536
66	1997	WESTERN PACIFIC MORTGAGE INC	2	\$309,265
67	TOTAL 1997		212	\$21,931,758
68				
69	1998	AMERICAN SAVINGS MORTGAGE CO INC	3	\$346,444
70	1998	BANK OF AMERICA FSB	7	\$819,629
71	1998	BANK OF AMERICA NA	4	\$420,753
72	1998	BANK OF HAWAII	7	\$548,120
73	1998	COUNTRYWIDE HOME LOANS INC	7	\$627,555
74	1998	FINANCE FACTORS LTD	31	\$3,993,788
75	1998	FIRST HAWAIIAN BANK	10	\$1,076,943
76	1998	HOMESTREET BANK	47	\$5,424,175
77	1998	INTERNATIONAL SAVINGS ALA LTD	6	\$496,426
78	1998	IRWIN MORTGAGE CORPORATION	1	\$77,850
79	1998	ISLAND COMMUNITY LENDING CORPORATION	35	\$2,879,379
80	1998	MORTGAGE STORE INC	1	\$115,737
81	1998	PREFERRED FINANCIAL FUNDING IN	3	\$257,286
82	1998	SOUTH PACIFIC MORTGAGE CORP	1	\$111,792
83	1998	U.S. FINANCIAL MORTGAGE CORPORATION	82	\$6,696,294
84	1998	WASHINGTON MUTUAL BANK FA NAMC	12	\$1,438,261
85	1998	WESTERN PACIFIC MORTGAGE INC	2	\$135,814
86	1998	WESTERN STATES MORTGAGE CORP	1	\$126,168
87	TOTAL 1998		260	\$25,592,414

Bank of America FHA-247 Loans

	Total Amount			Total # Loans	
	Bank of America FSB	Bank of America NA	Bank of America Charlotte		
1994	\$ -	\$ -	\$ -	\$ -	
1995	\$ -	\$ -	\$ -	\$ -	
1996	\$ 1,051,117.00			\$ 1,051,117.00	9
1997	\$ 570,275.00	\$ 247,728.00		\$ 818,003.00	6
1998	\$ 819,629.00	\$ 420,753.00		\$ 1,240,382.00	11
1999	\$ 3,631,174.00		\$ 296,460.00	\$ 3,927,634.00	38
2000	\$ 106,297.00		\$ 1,719,212.00	\$ 1,825,509.00	16
2001			\$ 244,758.00	\$ 244,758.00	2
2002				\$ -	0
2003				\$ -	0
2004				\$ -	0
2005				\$ -	0
2006				\$ -	0
2007				\$ -	0
2008				\$ -	0
2009			\$ 369,678.00	\$ 369,678.00	3
2010			\$ 1,471,423.00	\$ 1,471,423.00	10
2011			\$ 2,143,810.00	\$ 2,143,810.00	11
2012				\$ -	
2013				\$ -	
2014				\$ -	
2015				\$ -	
2016				\$ -	
2017					
2018					
Subtotals	\$ 6,178,492.00	\$ 668,481.00	\$ 6,245,341.00		
TOTAL	1994-2018			\$ 13,092,314.00	106
	1994-1998			\$ 3,109,502.00	

LATE

SCR-45

Submitted on: 3/27/2019 1:24:24 PM

Testimony for HWN on 3/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ian Chan Hodges	Individual	Comments	Yes

Comments:

COMMITTEE ON HAWAIIAN AFFAIRS

Senator Maile S.L. Shimabukuro, Chair

Senator Kaiali'i Kahele, Vice Chair

Comments relating to Senate Concurrent Resolution 45

Hearing Date

Thursday, March 28, 2019 1:15pm in Room 016

Aloha Chair Shimabukuro and Vice Chair Kahele and members of the Hawaiian Affairs Committee:

I welcome the opportunity to offer comments at the hearing relating to Bank of America's unfulfilled Hawaiian commitments.

Mahalo,

Ian Chan Hodges